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PRIME MINISTER'S ADDRESS AT THE ANNUAL MEETING*

FIRST of all, allow me to congratulate you on this new phase of your existence in this new Hall. It is very spacious and it is not only good for you but good for Delhi which hungers after Halls all the time. You cannot get them.

Now, this meeting of yours is more or less an official Annual Meeting. Nevertheless, in the remarks made by the Chairman and by Prof. Karve—I am only rather a showpiece in the Institute—and by your publications, I gather something of the work that is being done here.

I have a feeling that while, no doubt, people may make suggestions for improvement and additions and all that, basically this Institute is performing an important function. After all, administration, and more especially public administration, is always important, but it is doubly important in the India of today. The administrative apparatus is growing. It is important because of the new types of activities which have to be undertaken. It is important that some kind of a rein should be put on the administration not to grow too much. There is always a tendency to grow. It has become so, as you very well know from all this talk about Parkinson's laws, etc. There is a great deal of truth in them. It is amazing how administration grows. I think it does require constant check. But, after all, in a modern State, and in every State, but in a modern State especially, the administration—the question of its efficiency and the way it does its work, its quality—is of extreme importance; and, therefore, Prof. Karve laid stress on quality. There is no point at all if you had thousands of people attached to this Institute but there was no quality in them. Even a relatively small number of people of quality can set a tone and I think the main object of this Institute is to raise standards in administration and set tones. My impression is that it is doing

*Held on August 27, 1960.

that. They may do it better still, but anyhow it is doing that to some extent. I do think it is important, and it is important not only in the sense of the normal administrative work that has to be done, but in the fact that in India we are spreading out in social domains. Administration spreads out to public enterprises in a big way and raises entirely new problems—new aspects of the old problem, whichever way you like to put it. That applies even to private enterprise, but private enterprise deals with it in its own way.

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Here in public enterprises, we come up against a certain inevitable inertia of the governmental apparatus. The inertia of any large undertaking tends to make it rather static. An inertia at this stage in India is obviously very bad. Therefore, in seeking what might be called, if I may say so, perfection in administrative routines, we often miss, or may miss, the object that we are aiming at.

Take the Government of India, which has, I do not know how many, manuals of procedure, which some very highly talented people may understand, but most people do not. What are those manuals of procedure meant for? Apparently, I may use the word, perfection in administration. Ah! there must not be a mistake here, check, counter-check, references and all that. This is all well-intentioned but if that results in the thing not being done or a great delay occurring in doing it, then the main thing is gone, in spite of the perfection aimed at. Now that is a great difficulty which any public concern has to face. That is, curiously enough, the average administrator, not the special one, goes by precedent. He has to. Precedent has to be there and wherever precedent is the dominating factor, conditions are looked upon as static. Therefore, movement is slow and responsibility is spread out over anonymous individuals. That I think is a very important aspect for everyone of you, who is connected with administration, to consider, *i.e.*, what your objective is. Is your objective the writing of a book or a fine manual of procedure, as to how things should be done, with as near an approach to perfection as possible? Or whether your objective is to get the thing done, no doubt correctly, otherwise there will be trouble?

What is the objective? For instance, even in the Planning Commission's reports, it was said so much money had been spent on this or that. It was an indication, no doubt. But a far better thing would be what has been done and not how much money has been spent, as the money may not have been well spent, may have been wasted. Here, some ridiculous examples come to mind. I am not referring to the Planning Commission but to State Government reports which say

that there has been so much money spent on roads. Actually, some of the roads may not have been built at all. But this is a silly example. It is not the usual thing. But the point is a shifting of our attention to things done, not so much to what we have spent upon them, not so much even, although it is important, to the manner of doing them, but to the thing done. That is the real basis, the basis of performance.

I believe that in industry more and more wages, or whatever is paid, become tied up with what is done. How much a person works, he gets paid according to that, which is, a very good approach. It is a fair approach to all concerned. It is not a particularly easy matter to have this kind of test for an administrator. You cannot measure his work easily. Nevertheless, I think an effort should be made to measure it to some extent, to know his performance in different things. Or, at any rate, the objective to be kept before us should always be what is done, not what is written about. Then again, if you have an objective, it is not merely a question of the particular thing you do, although that is important, but the broad objectives that the administration pursues. Everything else has to be fitted into them.

What are our broad objectives? The broadest of all, you may say, is, I believe, the socialistic structure of society in India. In order to attain that we have to go over innumerable difficulties and all that. It is true, and we have all the time to compromise with those difficulties, because we do not write on a clean slate. Human society is a very complicated thing. But it does become important that that objective is always kept in view and governs our thinking and our activity. We may have to temper our activity or tone it down because of some circumstance beyond our control. That is a different matter but the objective has to be kept in view so that we are going in its direction. We may go fast and occasionally we may go a little slow.

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No administrator, I suppose, or anyone else for the matter of that, can really do first class work without a sense of function, without some measure of a crusading spirit: 'I am doing this, I have to achieve this, as a part of a great movement in a big cause'. That gives a sense of function, not the sense of the individual, narrow approach of doing a job in an office for a salary or wage, something connected with your life's outlook or anything, perhaps being interested, as people inevitably are, in one's personal preferment in that particular work. I do not say it is a bad thing to be interested. One is always interested in oneself and cannot get rid of it. Nevertheless, the main thing should be this sense of function in one's job, and how we fit in that for the larger objectives you place before yourself : whether you are a public servant

or a professor in a university, whatever it is, if you have got that, then you get a certain special halo around you, if I may use the word, which takes you out of the common rut and your work also gets an element of distinction because of that. So we must, therefore, aim at this: having a clearly defined objective in a well-run machine, anything, an administration or a factory, or something else. By their own impetus they go on and on. They go on because the machine is working and a good administration gets that kind of impetus. But apart from that, where you are tackling new problems and the administration is growing, that old impetus is not quite enough. It is helpful, very helpful. But you have to supply a new drive all the time and that drive only comes from a clearer understanding of objectives and some measure of associating it with your function, if I may use the word again.

Now, in India, we are facing, constantly as you see, quite extraordinary difficulties: difficulties normally outside the scope of the administrator's work. We may have trouble over the language issue; trouble in Assam, Bengal, Punjab or elsewhere. We may have trouble over something else, which really comes in the way of the normal work one has to do in the country, coming in the way of administration and everything. It is unfortunate because they divert attention from the real work. The real work in India, in spite of all this about which we see headlines in the newspapers, the real work fundamentally is this: the implementation of the five year plans. Planning is a comprehensive scheme with a set of objectives and the ways pointing to those objectives, and broadly speaking, it may be said, that it has been accepted in India. Criticism may be directed to some parts of it, some emphasis here and there. Something should be done here, something else should not be done. That is a different matter. But the broad approach to planning, as in the past plans, and also in the third plan, is, I believe, very widely accepted, and not only accepted in India—and this is rather a new phenomenon, if I may point it out—it is accepted outside India by people who are not necessarily partial to us at all, who are objective critics: who may even be sometimes slightly unfriendly critics of our policies, but who try to look upon it objectively; and this is, as I said, a fairly new development, because these people have come here from other countries, looking at it as experts. I am not talking about tourists, but men who have come to examine this, men who in their own countries follow different policies, and they have come to the conclusion that, broadly speaking, this is the only approach in India. It is rather an interesting aspect of this, because our approach has been not only conditioned by the objectives we seek to attain, but conditioned also by the objective conditions that surround us. It is not a doctrinaire approach, putting down all the

things we like to happen. Therefore, the objectives are fairly clear. Although they are clear, I do not myself know whether that fact is adequately recognised by the average man or woman, and it should be our function to make everybody realise that these are our objectives and to make everyone measure any problem that arises from the yardstick of these objectives. That I think is rather important.

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When we talk about public administration we think mostly of the higher ranks of the public administration, which is inevitable. They set the tone. But, I think I mentioned it last year too, how important it is to think of administration at the lower levels, in terms of persons there, because there is, I believe, a big gap between the quality of the higher levels of administration in India and the lower levels. There should not be that gap, and we should try to improve the lower levels too, and make them feel that they are not some kind of people outside the ranks of the elect. This is, of course, unfortunately due largely to two things in India: our own fault largely, and the fault of the British.

Whatever we may say, we are so caste-ridden, and not caste-ridden in terms of caste only, but in terms of other things: group-ridden consciously and very often unconsciously, so that it is difficult to get out of it. The British introduced in the Services this caste feeling—the superior services, the inferior services, the I.C.S. and all that; and nothing could have been a more rigorous, narrow-minded, though may be efficient, caste than the old Indian Civil Service—with steel walls surrounding it—, and the others were kept down. That is a bad inheritance which we have got. It is going, of course. It is far less than it was. Nevertheless, this tendency of official caste, if I may say so, is there. It is a bad thing, not only in the sense of the machinery of government where one part of the machinery imagines that it is the most important part—a bigger piece of iron and steel—, and the other part is only a bolt. It is a wrong idea. The whole thing has to be considered as a whole. An individual person, who thinks himself as an individual and not as a part of a link in the whole machine, does not get the correct perspective.

What is more important is, whether you are in the higher ranks of the administration or the lower ranks, you have to deal more and more with the mass of hundreds of millions of the Indian people. That is of vital importance and the problems that you have to face cannot be resolved, by and large, by official orders from your officers. They have to be resolved by those hundreds of millions, and you have, therefore, to develop the capacity to move with those millions, get them to move and move yourself.

In any State, ultimately in any democratic State, if it is properly developed, or in any public welfare State, you have to remove the barriers between the administration and the so-called administered. The ultimate way to remove them is to make the administered themselves administrators. I want you to think of it. Large sections of people should become administrators in some form or other, in some sphere or other. Whether they are administrators in the village or in the higher spheres, whether they are Panchas in the Panchayat, they are administrators in a particular field. And this association of ever larger numbers of people with the administration of the country—the breaking down of the barriers between the administrators and the administered, and at the same time giving everybody a sense of working for common causes—is a good thing, good from many points of view. I think that one of the biggest changes that has been taking place in the past year has been this conception which is often referred to in most unmusical words as “democratic decentralisation”. I wonder why we cannot find some other word. Of course, in Hindi we call it Panchayati Raj, which sounds much better. I have no doubt about that. It is spreading administration to hundreds of thousands of persons in the villages. That is administration. So don't you imagine that an administrator is only the person who has got a degree from a university and who has a post somewhere, or best of all, he has had a special course here in your School? The Panch is an administrator. Every member of the Panchayat is an administrator in a particular sphere, and he should be recognised and respected as such.

Apart from the theory of what I am saying, practical conditions are going to compel you and me, and all of us, politicians and others, to do that in the future, because, I think, the basis of our politics is going to be powerfully affected by the spread of what is called Panchayati Raj. The people are becoming conscious of its implications. The Panchayats, the Panchas, are not silent spectators. They are not the people running up to the Deputy Commissioner or the District Magistrate to say “Do this, do that for us”. They have to do it themselves. They have got the responsibility. It makes all the difference. They may make a mess of it here and there. Higher people in higher grades of life also often make messes of life. They have to face that. That is the only way and I think it is a tremendous thing. Therefore, I should like you to keep in view that your administration is something with which millions of people in India are associated and they should have a sense of being associated in doing things in every village. It is highly important.

Then about the human approach in administration. Inevitably, administration—of course parts of it, especially in secretariats and the

like—is apt to become cut off from the human side. It is not cut off if you are a District Magistrate; you have to deal with the human side all the time. But if you are sitting in offices in the secretariats, you are apt to be cut off. Again that is bad at any time. But in a dynamic and moving society where you have to move and move along with masses of people, it is very important to have the human approach. I do not know how any school can teach you the human approach; it is something outside the element of school teaching. But, nevertheless, it is important to draw attention to it because the most competent of administrators may be a flop if he has not got that human approach today. I have seen it happen in some departments at work, and I have seen that repeatedly: very good administrators just cannot get on because they have not that human touch. That becomes important.

Finally, this business of telling people that you have to do this or that is not enough. You have to do it, of course. We had, this morning, a conference dealing with, what is called, public co-operation. That is, bringing the public into our major schemes and all that. I asked the question: “public co-operation with whom?”. Is it the idea behind that appeal for public co-operation that the administrators are the centre of things and the public should co-operate with them? That is a wrong idea or approach. We may be in important positions. We may be able to tell the people what to do. That is another matter. But to tell the people to come and co-operate with the administrators is not the right approach. The correct approach is that the people are the centre of things and we are going to help them, this is a psychological approach; but not that we are the centre, we the administrators; that we the Government, we the Ministers, are the centre of things and out of the goodness of our hearts we are doing good to the public. “Let them co-operate with us”—that is not the approach at all which goes down with anybody. Therefore, it is a psychological thing, the administrator's approach. It should be a humble approach and it should always treat the person—whoever he may be, the peasant, the villager, the worker—on terms of friendly equality, never as a boss. This kind of thing has gone now. It does not pay. More than that, and I tell you, in cases where you have to deal, let us say, with some of our primitive tribes, the only policy that goes down with them is one to treat them as equals. The moment there is even a suspicion that you consider yourself their superior, your influence on them goes and if by any chance you show the slightest element of, what shall I say, contempt for their way of life, it is bitterly resented.

There is a very well-known instance. I think it was in the North-East Frontier Agency, or somewhere there. Long ago, I think it was in

the late 19th century, a British officer went there with a platoon and all that and many people, and those 'frontier' people, came to receive him. They did not know who he was. Still they received him in a friendly way. This officer was foolish enough to make fun of some of their customs. He laughed rather slightly contemptuously. That night the officer and everybody who had gone with him were slaughtered just because of the insult the 'frontier' people felt—the feeling that "This man comes to interfere with us". This was, anyhow, an extreme example of a primitive people reacting. Therefore, there are strict injunctions today to any administrator who goes to such regions to treat their people always as equals, be respectful to them and to their customs, never to show that you are superior to them. That may be so there. But it really applies in your dealings with anybody, of any class, grade or degree. If I may say so, and I say so with some hesitation before teachers and professors, it applies even to children. Treat them as equals, your own child, and you will find a better response. Of course, the bond between children is an intimate bond of affection. But, nevertheless, this business of being superior and inferior, this approach, should go. Some people are superior in mind, of course, or in body, or in many things. It is a fact. Therefore, they are given greater responsibilities. But from the human point of view and from the point of view of getting things done by others, there should be no exhibition of superiority in the human approach.

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In the India of today, the administrative system should be, and to some extent is, of course especially in the Central Services, a unifying agency. It is very important because there are so many destructive tendencies. Our army is a tremendous unifying agency. Our men in arms come from all over India; they work together, they get to know each other and they function in different parts of the country. The administrative services—all of them to some extent—, and more so the all-India administrative services, have to play their function of helping in this unifying process, which is so important.



POLITICAL RIGHTS OF PUBLIC SECTOR EMPLOYEES

H. K. Paranjape

THE problem of the political rights of public employees has engaged the attention of political scientists and administrators, especially in this century, because of the universal increase in their number and also an increasingly liberal approach in democratic societies to this problem. In India, however, the problem could hardly arise in the period before Independence. Surprisingly, even after independence not much attention has been given to the problem, and it has almost been taken for granted that the present practice, which is largely a continuation of the pre-Independence policy, does not need a change. Recognising the importance of the problem, however, the (Second) Pay Commission¹ thought it worthwhile to examine it in some detail, and has thus provided an opening for a wider discussion of the existing position.

THE PRESENT POSITION

At the present time, the position is that most public employees are debarred from political activities of any type; even the right of freedom of expression is denied to them in practice with regard to most of the important problems of the day. For example, under Rule 4 of the Central Civil Services (Conduct) Rules (1955), a Government servant is debarred from any political activity except the exercise of his ballot. He is not permitted to offer himself as a candidate or to canvass for a candidate for election to any legislature or local authority. A provision exists for a Government servant to offer himself as a candidate for election to a local authority if the Government permits him to do so, but, in practice, hardly has any use been made of this provision. Rule 5 prohibits Government servants from participating in a radio broadcast or contributing an article to a newspaper or periodical except when such broadcast or contribution is of a purely literary, artistic or scientific character. Rule 6 prohibits Government servants from making, through any vehicle of public communication, any statement of fact or opinion—

- “(i) Which has the effect of an adverse criticism of any current or recent policy or action of the Central Government or a State Government; or

1. *Commission of Enquiry on Emoluments and Conditions of Service of Central Government Employees, 1957-59, Report*, Ministry of Finance, Government of India, 1959, (hereafter referred to as ‘Second Pay Commission’).

- (ii) which is capable of embarrassing the relations between the Central Government and the Government of any State; or
- (iii) which is capable of embarrassing the relations between the Central Government and the Government of any foreign State."

Similar rules apply to the All-India Services and Railway Services. State Governments, in the conduct rules framed for their own services and the services of local authorities, almost invariably follow the model laid down by the Government of India.² As regards State undertakings, organised as corporations or companies, the position is somewhat fluid as many of them have not formulated their conduct rules as yet.³ But the Government of India has decided, as a matter of policy, that the activities of the employees of such bodies should, as far as possible, be restricted in the same manner as of those working directly under Government.⁴

The Pay Commission discusses these problems, mainly in relation to Central Government employees, in Chapters XLVII and XLVIII of its Report, and its recommendations are summarised as follows:

"(211) Instead of placing a general ban on public expression of views and then providing for some exceptions (as is the case at present), a general freedom of intellectual expression should be recognised and only such specific restrictions should be imposed as are necessary to meet the requirements of the public service.

"(212) Removal or relaxation of the existing restrictions on the exercise of political rights by employees would not be in the public interest, or in their own interest."⁵

It must be clarified, however, that the above summary (211) does not fully bring out the Commission's views in the matter of freedom of expression. The Commission refers to Rule 6 of the Central Civil Services (Conduct) Rules and considers this restriction to be evidently justifiable.⁶ This applies not only to regular civil servants but also to those working on the Railways. The Commission specifically mentions the Railway Service (Conduct) Rules and points out that freedom of intellectual expression should be unrestricted "subject to the observance of rules 4, 6 and 8".⁷ Thus, all that is conceded, even to

2. E.g. see *Municipal Manual*, Government of Madras, 1957, pp. 51-53. *District Board Manual*, Government of Uttar Pradesh, 1953, p. 197.

3. *Pay Commission Report*, op. cit., p. 529.

4. See Government of India, Ministry of Home Affairs, Memo No. 25/55/53—Estt. (A) dated 14th March, 1956.

5. *Pay Commission Report*, op. cit., p. 600.

6. *Ibid.*, p. 525.

7. *Ibid.*, p. 525, para 3.

Railway servants, is freedom of intellectual expression that does not involve any criticism of a current or recent policy of the Central or State Government. The fields over which Governments in India exercise control and execute policy increasingly tend to extend to almost all aspects of life; various aspects of economic life, family planning, the problem of the language to be used as medium of education, the manner in which new media of mass communication like broadcasting and films should be used,—these can be instanced as some examples. Thus, what the Commission says about the freedom of expression is found to be not very useful in extending the area of intellectual expression to any significant extent.

As regards political rights, the summary of the recommendations as quoted above puts the Commission's view quite clearly. The Commission rejects the idea of following the present practice in the U.K., based largely on the Masterman Committee's report, on the ground that "what may be sound and feasible in a homogeneous community like that in the United Kingdom, with a long-established tradition of democratic Government, may not necessarily be sound and feasible in India".⁸

THE POSITION IN THE UNITED KINGDOM

In the U.K., staff employed in industrial establishments relating to Defence services were exempted from restrictions regarding political activity as early as 1927. As a result of the recommendations of the Masterman Committee, and further discussion between the Government and the Staff Side of the Civil Service National Whitley Council, it was decided in 1953 to free all the remaining industrial grades, all the manipulative grades in the post office as well as a number of minor grades such as messengers.

Under the new rules in U.K., political activities were classified as follows :⁹

(a) National Political Activities

- (i) Adoption as a Parliamentary candidate,
- (ii) Holding in party political organisations offices impinging wholly or mainly on party politics in the national field,
- (iii) Speaking in public on matters of national political controversy,

8. *Ibid.*, p. 533.

9. *Institution of Professional Civil Servants Handbook*, London, Stone & Cox, 1954, p. 283.

- (iv) Expressing views on such matters in letters to the Press, books, articles or leaflets, and
 - (v) Canvassing on behalf of a Parliamentary candidate.
- (b) Local Political Activities
- (i) Candidature for, or cooption to, local authorities,
 - (ii) Holding in party political organisations offices impinging wholly or mainly on party politics in the local field,
 - (iii) Speaking in public on matters of local political controversy,
 - (iv) Expressing views on such matters in letters to the Press, books, articles or leaflets, and
 - (v) Canvassing on behalf of candidates for election to local authorities.

Under these rules, the categories of employees mentioned earlier were given the right to participate in all the activities listed above. A new intermediate class of civil servants was also recognised including typists, clerical assistants, post office manipulative supervisory officers, etc., who were granted the right to participate in all the activities listed above with the exception of adoption as Parliamentary candidates. The remaining categories of employees continue to be debarred from engaging in national political activities but are free to seek permission of the Government to engage in local political activities as defined above. In this connection it was further laid down—"The extent to which Departments will be able to give permission will vary with the varying circumstances of Departments, but (subject to the special rules applicable to those Departments in close official contact with Local Authorities) Departments should give permission to the maximum extent consistent with the maintenance of the Civil Service's reputation for political impartiality."¹⁰ It should also be remembered that large enterprises like the railways are organised in the U. K. as public corporations and the civil service regulations not only do not apply to their employees but the service rules of such enterprises have never attempted to lay down any such restrictions on the political rights of their employees.

The British approach to the whole problem has been succinctly stated by the Masterman Committee:

"In framing our recommendations we have constantly tried to find a balance between these two conflicting interests:

10. *Ibid.*, p. 285.

(i) In a democratic society it is desirable for all citizens to have a voice in the affairs of the State and for as many as possible to play an active part in public life.

(ii) The public interest demands the maintenance of political impartiality in the Civil Service and of confidence in that impartiality as an essential part of the structure of Government in this country.”¹¹

To attain these objectives, the Committee favoured the approach that “a distinction should be drawn between senior officers on the one hand and subordinate grades on the other on the ground that in the case of the latter a far greater measure of freedom could be allowed without danger to the public”.¹² That this approach has been accepted by the British Government is fully evidenced from the action taken by them on the Report. As a matter of fact, as a result of negotiations with the Staff Side of National Whitley Council, the Government went further than the Masterman Committee’s recommendations and created this above mentioned intermediate category of civil servants with somewhat restricted freedom in political activities. It was officially estimated that, as a result of these decisions, 62% of civil servants would be completely free, about 22% would be free to take part in all political activities except Parliamentary candidature and only about 16% would be debarred from taking part in national political activities.¹³ It needs to be mentioned that for the intermediate category and for the category restricted to local political activities (subject to permission), Codes of Discretion were laid down. The Code for the former category pointed out that while this category of civil servants were not debarred from advocating or criticising the policy of any political party, “comment should be expressed with moderation (particularly in relation to matters for which their own Minister is responsible) and should avoid personal attacks”. The Code for the latter category pointed out that the permission to participate in local political activities “is subject to the condition that they act with moderation and discretion, particularly in matters affecting their own Department and that they take care not to involve themselves in matters of political controversy which are of national rather than local importance.”¹⁴ Characteristically, it was felt that the laying down of such a code will, in the large majority of cases, be enough to ensure that appropriate reserve will be observed by those concerned and that the risk of abuse was not very great.

11. *Report of the Committee on the Political Activities of Civil Servants*, (Masterman Committee) London, HMSO (CMD 7718), June, 1949, p. 12.

12. *Ibid.*, p. 19.

13. *Institution of Professional Civil Servants Handbook*, *op. cit.*, p. 282.

14. *Ibid.*, p. 288.

THE POSITION IN THE U.S.A.

The position in respect of political activities by civil servants is markedly different in the U.S.A. as compared to the U.K. Because of the difference in the evolution of the political systems, the approach to the problem is, in some ways, basically different. This is well illustrated by the following which appears at the beginning of a handout, entitled "Federal Employees Facts—No. 2, 1956" published by the U.S. Civil Service Commission—"Federal employees who are a part of the Government's career civil service are protected by law from efforts to force them to render political service or tribute. This was not always the case. Federal employees derive this protection from the Civil Service Act, passed in 1873.... The Hatch Act, passed in 1939, goes further than the Civil Service Act. It provides in general that Federal employees cannot render political service—that is, take an active part in political management or political campaigns—even if they are willing to do so. Basically, both these laws have the effect of insulating the Federal career employee against the effects of political considerations that might damage his job tenure. They are a protection to the employee against political 'reprisals'. . . because they eliminate grounds for such reprisal".

Thus, restrictions on the political rights of employees are emphasised as being important more for protecting the employees than for ensuring political neutrality of civil servants in the public interest. The restrictions are applicable to most categories of non-political Federal public servants (and this includes all agencies, corporations and departments of the Federal Government) and also to State public servants whose principal employment is in connection with an activity that is partly or wholly financed from Federal funds. The principal political activities can be divided into the two categories of 'permitted' and 'prohibited' as follows:

Permitted—

- (1) Right to vote.
- (2) Right to express opinions on political subjects and candidates.
- (3) Voluntarily contributing to the funds of a regularly constituted political organisation.
- (4) Holding of non-political local offices.
- (5) Right to petition Congress or any Member of Congress.
- (6) Attending (but not actively participating in) political meetings.

Prohibited—

- (1) Candidature for National or State office.
- (2) Political campaigning, or actively helping a political campaign.
- (3) Soliciting or receiving political funds.

An exception is made regarding participation in local political activities in areas where the majority of voters are Federal Government employees. A further important exception is in respect of employees "of any educational or research institution, establishment, agency, or system which is supported in whole or in part by any State or political subdivision thereof, or by the District of Columbia . . . or by any recognised religious, philanthropic, or cultural organisation".¹⁵ A further important point to be noted is that, as indicated above, the Hatch Act guarantees to the employees the right "to express their opinions on all political subjects and candidates,"¹⁶ though this is subject to the prohibition on taking active part in political management or in political campaigns. This last provision has raised doubts about the effectiveness of the right guaranteed by the Act. President Roosevelt in a message to Congress had said at the time when the Hatch Act became law: "I have been asked whether they (Federal employees) would lose their positions if they should merely express their opinion or preference publicly . . . without doing so as part of an organised political campaign. The answer is, 'No'." On the other hand, the U.S. Civil Service Commission has taken the view that employees are "free" to express opinions and preferences on candidates and election issues as long as the utterance is not intended to influence the vote of other people. "Intent", the Commission has said, "is important. A Federal Employee is not permitted to express his opinions with a purpose of influencing the political action of others."¹⁷ This of course reduces the effectiveness of the right to a considerable extent. The U.S. Civil Service Commission has also laid down that an employee may not publish any letter or article in favour of or against any political party, candidate or faction. An employee who writes such a letter or article is responsible for any use that may be made of it whether or not he gives his consent to such use.

All these provisions show that in the U.S.A. the Federal employees are restricted not only regarding participation in political

15. "Federal Corrupt Practices and Political Activities", *Hatch Political Activities Act, 1939*, Section 21, Washington, United States Government Printing Office, 1950.

16. *Ibid.*, Section 9.

17. See W.B. Prendergast, "Can 'Letter to Editor' be Pernicious", *Washington Post and Times Herald*, October, 1955. See also Mr. Justice Black's opinion on this, quoted in *Second Pay Commission Report*, p. 530.

activities but also in exercising their right of freedom of expression. Moreover, the approach that these restrictions are necessary in the interests of the employees themselves and so as to uphold the merit system in the civil service is strongly supported by organisations of employees.¹⁸

THE POSITION IN OTHER DEMOCRACIES

To complete the picture, the situation in some other democratic countries may be briefly reviewed.

As regards Western Europe, in no country are civil servants forbidden to stand for Parliament. In countries like Belgium, Switzerland and Germany, a civil servant can offer himself as a candidate but if he is elected, he has to resign his civil service post before taking his seat in the legislature. For example, in West Germany, a civil servant has to resign his post if he is elected to the Federal legislature. But he can stand for election, take part in the campaigns and still can retain his civil service post if unsuccessful. Moreover, if elected, he can retire on pension and also can apply for reinstatement if and when he ceases to be a member of the Federal legislature. There is, further, nothing to prevent a civil servant from actively participating in *Länder* (State) and local politics.¹⁹ This approach has been due to a number of historical reasons into the details of which we need not go here. Mainly this has been due to the fact that due to the peculiarities of German political evolution, there has been no tradition of preventing State officials from serving in the legislature; and further, in the post-1945 period, there was such a shortage of politically reliable personnel that those available had to be used in dual capacities in many cases. Moreover, according to Professor Hiscocks, the official element, both before 1933 and after 1945, has provided some of the most able and effective legislators. "The experience and temperament of a civil servant fit him well to look at political problems from a broad and public spirited point of view. In the absence of a leisure class he is one of the few members of modern society who, provided he retains his status and pension rights, can afford to serve in Parliament."²⁰ The only alternative to strong official representation in the legislatures would be a substantial increase in the representatives of special and sectional interests. Nevertheless, Prof. Hiscocks admits that the existing situation has led to abuses and needs some modification.

18. See the Statements made on behalf of the American Federation of Government Employees and the National Federation of Federal Employees, quoted in Second Pay Commission Report, p. 531.

19. R. Hiscocks, *Democracy in Western Germany*, London, Oxford University Press, 1957, p. 206.

20. *Ibid.*, pp. 206-207.

In France, a public servant (including persons employed in nationalised or State subsidised industries) has similarly to vacate his post if he is elected to the legislature. He may return to his post with full promotion and pension rights if he loses or resigns his seat.²¹ It is however provided that "on duty, the civil servant must not carry on propaganda and must observe the strictest neutrality; off duty, some officials with political duties are also obliged to maintain great discretion."²²

In Norway, Denmark and Sweden, a civil servant is not debarred from becoming a member of the legislature and "the parliaments regularly contain many civil servants, usually on leave during the session."²³ In some ways the constitutionally guaranteed access for the citizen to all public records, excepting those of a confidential nature in the fields of diplomacy and defence, which prevails in a country like Sweden, probably makes the dual position of officials much less difficult to maintain than it would otherwise be.

THE OBJECTIVES OF POLICY

In order to examine whether, in the light of the present position in India and other democratic countries, a change in the policy regarding political activities by public employees in India is necessary, it would be desirable to clarify the main objectives and considerations in formulating this policy. While, in India, we have accepted a democratic way of political life and the Constitution is formulated on that basis, it will be generally agreed that we are still a very imperfect democratic community and the main objective of our constructive political endeavour has to be to give reality to our democratic forms.

There is no doubt that creation and maintenance of public confidence in the impartiality of the civil service is extremely important for the proper functioning of any democratic society. This is especially important in a society which has accepted the idea of a welfare state (or a socialist pattern of society). As the Masterman Committee observed with reference to the U.K., "The importance of these considerations can hardly be exaggerated today when vital decisions on

21. P. Williams, *Politics in Post-War France*, Longmans, Green & Co., 2nd ed., 1958, p. 192; Roger Gregoire further points out that a civil servant sitting in the legislature can benefit from the promotions obtained by him in his civil service position as he is compensated for the difference, if any, between his salary as a civil servant and that as a member of the legislature., 'La Fonction Publique,' 1954, pp. 339-341; B. Chapman says that the civil servant only needs to go on leave of absence during his tenure of a seat in the legislature. He also mentions that the position in Holland and Italy is similar. See B. Chapman, *The Profession of Government*, London, George Allen & Unwin, 1959, p. 288.

22. M. Durverger, *The French Political System*. Chicago, University of Chicago, 1958, p. 172.

23. B.A. Arneson, *The Democratic Monarchies in Scandinavia*. New York, D. Van Nostrand Inc., 1949, p. 150.

claims for social benefits, assessment to tax, liability to various forms of national service, entitlement to certain rationed commodities, and many other aspects of daily life are being taken by officials often of humblest rank . . . The life of every citizen is being directly and acutely affected by all grades of the hierarchy." "We think . . . that the extension of the functions of the State in the last few decades greatly increases the need for maintaining the impartiality of the service. We have worked upon the assumption that this confidence must be maintained even at the cost of certain sacrifices."²⁴ This applies to Indian conditions to the fullest degree; one may even say that this consideration is even more crucial in India than in the U.K. There are a number of reasons for it. We in India are new at working a democratic system. In the period before Independence, while the impartiality of the civil service was accepted as valid, at least as far as the higher rungs of it were concerned, in matters that did not involve the fundamental interests of the foreign ruling power, there was no such belief in regard to matters considered to be of fundamental interest to the ruling power. Moreover, the ultimate decisions were in the hands of a small elite amongst the civil servants, many of them foreigners and therefore uninvolved in the conflicting interests in India. Even the Indian members of the elite were largely chosen from persons who travelled abroad, studied there and thus could be expected to have shed some of their particular interest roots in this country. The way they were paid and treated and the manner in which they were expected to live almost put them in the same category as the foreign civil servants and there was not much suspicion about their impartiality in respect of the caste, class, religious, regional and similar conflicts that continue to prevail in India. This situation, however, no longer exists. All civil service posts are now manned by Indian nationals, many of them, especially the recent recruits, without any foreign training and travel; moreover they are now not expected to maintain aloofness from the community in which they live. Therefore in some ways it is now more difficult for the public to believe in the impartiality of the civil service. This belief has yet to be created. The task has not been made easier by the continuance, by and large, of the same party in power, at the Centre and in the States, since Independence. The opposition parties, having had hardly any opportunity to work in the Government and therefore in cooperation with the civil servants, continue in most cases to be suspicious about their impartiality. The various conflicts—due to considerations of class, caste, religion, language, etc.—that have come to the fore since Independence have made the position still more difficult. The Pay Commission has given a great deal of emphasis

24. *Masterman Committee Report, op. cit.*, p. 14.

on this point as evidenced from its statement quoted earlier.

This approach has also a great deal to do with the efficiency of the civil service as has further been emphasised by the Pay Commission. The Commission quotes with approval the following from the Masterman Committee Report, "There is finally to be considered the harmful effect upon the service itself if the political allegiance of individual civil servants became generally known to their superior officers and colleagues. If a Minister began to consider whether A, on account of his party views, might be more capable of carrying out his policy than B, the usefulness of B would be limited and the opportunities of A would be unfairly improved. This would become known and a tendency to trim the sails to the prevailing wind would be one consequence. Another would be a cynicism about the reasons for promotion very damaging to morale . . . The danger is, we believe, a real one."²⁵ This seems to be proved by the experience in West Germany. Professor Eschenburg has concluded on an examination of the working of the system there that cases frequently occur of ministers making higher appointments in their departments on political considerations.²⁶ There is already a widespread feeling in India that ministers in quite a few cases favour civil servants who, at least apparently, subscribe to their views and also those who represent their caste, language or regional interests. Thus the danger in India in this respect is no doubt a real one. It has been said that the grant of political rights to a civil servant requires "a considerable degree of self-discipline on the part of the civil servant, and a temperate political climate; parties must not be divided by questions of fundamental constitutional importance, nor anxious to use the public service as a spoils system."²⁷ These conditions do not avail in India at the present time and this certainly indicates that the creation and maintenance of public confidence in the impartiality of the civil service would not be furthered by indiscriminately removing the restrictions on political activities by civil servants.

But there is another objective which is at least of equal importance to us in India in the building up of a proper democratic society. One of the essential ingredients of a good democratic society is that it should have a form of government "depending on mutual interchange of ideas, on mutual criticism of the ideas interchanged, and on the common and agreed choice of the idea which emerges triumphant from the ordeal of interchange and criticism. A government depending on such a process . . . will be a democracy." The basic process of democracy is said to be discussion—"discussion of competing ideas, leading

25. *Masterman Committee Report*, *op. cit.*, p. 16, quoted in Second Pay Commission Report, pp. 532-533.

26. *R. Hiscocks*, *op. cit.*, pp. 207-208.

27. *B. Chapman*, *op. cit.*, pp. 288-289.

to a compromise in which all the ideas are reconciled and which can be accepted by all, because it bears the imprint of all.”²⁸ That is why our Constitution guarantees to all citizens the right to freedom of speech and expression subject only to reasonable restrictions “in the interests of the security of the State, friendly relations with foreign States, public order, decency or morality”, etc. So if the fundamental right of freedom of speech and expression is to be denied to any group of citizens, it must be for really compelling reasons. If such a right is denied to any citizens for insufficient reasons, and generally if it is denied to a significant proportion of citizens, especially amongst those who because of education and upbringing are more capable of fruitfully exercising it, the democratic process will be hindered. Even regarding the U.K., the Masterman Committee pointed out, “The fact that the civil service contains a larger proportion of the population than ever before and that it includes a highly educated and intelligent section of the community makes it obvious that the civil servants should not be excluded from full citizenship except in so far as other overriding considerations of public interest render this unavoidable”.²⁹ If we are serious in our intent to build up a democratic society in India, we have to do our utmost to remove restrictions on freedom of speech and expression to the maximum extent possible.

Another important ingredient for the construction of a sound democratic society in India and also for carrying out the economic development plans on a democratic basis is the existence of a body of citizen leaders, well informed, politically conscious and interested in social progress. In India we are all aware of an acute dearth of such leadership at various levels. Experience everywhere indicates that useful and constructive leadership can arise mainly from fairly educated citizens. Amongst manual workers, it comes more from skilled industrial workers. Amongst others, it can come from office workers, teachers and other professionally and technically qualified personnel. Any policy that debars large numbers of these groups from effective participation in political activity will stultify the growth of our democracy.

SIGNIFICANCE OF THE INDIAN PUBLIC SECTOR

With these above principles in view, let us briefly look at the facts. No proper estimate of the total number of employees in the public sector is available. But such information as is available indicates that

28. Ernest Barker, *Reflections on Government*, London, Oxford University Press, 1953, p. 36.

29. *Masterman Committee Report*, op. cit., pp. 13-14.

the number even in 1956-57 was over 6 million. (See Table below)

Employees in the public sector, 1956-57

Central Government (1956)	
Regular establishment	669,439
Nonregular Establishment	79,820
Railways (1956-57)	1,057,000
Posts and Telegraphs (1956-57)	294,000
State Governments (1957)	2,011,193
Union territories (1957)	56,276
Local Bodies ¹	1,600,000
Government & Local fund factories (1956) ²	361,024
State Transport (1956) (Data incomplete) ²	52,527
Public Works (1956) ²	511,909

[Sources—

1. Report of the (Second) Pay Commission, p.46.
2. Statistical Abstract, India, 1956-57.

All other data from—Statistical Supplement to the Report of the (Second) Pay Commission, 1957-59.]

According to the 1951 census, the total number of 'employees' in the non-agricultural sector was 14.8 million.³⁰ Thus over 45%³¹ of the people who are employed in the non-agricultural sector of the economy are already employed in the public sector. A fact of further significance is that, according to an official estimate, 38% of the urban male population which is educated beyond the matriculation standard is employed in the public sector; of those educated who are employees (*i.e.*, those not self-employed), 72% males and 75% females are employed in the public sector. In the rural areas, about half of the gainfully employed educated population is employed in the public sector.³² It is true that this figure includes not only employees under the Central Government and enterprises under its control but also those under the State Governments, the local authorities and the enterprises under their control. But as mentioned above, in the matter of political rights, rules applicable to employees of the State Governments and the enterprises under their control follow the rules of the Central Government and, in most cases, conduct rules of local authorities follow the same pattern.

Thus, an extremely significant proportion of the population in India, already employed in the public sector, is denied the rights of

30. Census of India 1951, Vol. I, Part I-A, Delhi, Manager of Publications, 1953, p. 96.

31. We are ignoring for the present argument the difference in dates for the two figures as it does not materially affect the argument.

32. Planning Commission, "Educated Persons in India", Perspective Planning Division, May 1958.

freedom of speech and participation in political activities. This could have been ignored if in the future public employees in India could be expected to remain a small part of the total working population and, especially, educated and politically conscious population. If, as in the U.S.A., there is no deliberate attempt to expand the public sector, there is a large, vigorous and growing private sector, and the majority of educated and politically conscious people in the country are expected to be employed therein and thus free from the restrictions on political activities imposed on public employees, one could ignore the continuance of such restrictions as not of much practical significance for the proper functioning of democracy. But in India, the case is quite different. We have adopted the goal of a socialist pattern of society as a result of which, and as a result of the industrial policy and plans which follow from it, the public sector is rapidly expanding and is bound to expand further.³³ The Railways and the Posts and Telegraphs Department, two of the largest employers of labour in India, are already in the public sector. The present industrial policy reserves the growth of industrial units in the basic industries to the public sector. Investment in the public sector constituted 54% of total investment in the Second Plan and is expected to constitute 60% of total investment in the Third Plan. Thus, employment in the public sector is bound to expand significantly in the near future. Amongst industrial workers, a large proportion of highly qualified and better paid workers will be employed in the public sector as basic industries will be mainly in the public sector. With further socialisation of medical facilities, a large number of medically qualified personnel will come to be public employees. Already a substantial sector of banking and the bulk of insurance is in the public sector. With the growing interest of the State in scientific research, a large number of scientists³⁴ are being and will increasingly be employed in institutions financed and operated by Government.

Democracy, as pointed out above, is a process of Government by discussion. It requires active participation by a large number in the community and a special responsibility devolves in this matter upon the more educated and experienced sections of the population. This is especially so in a country like India where the masses are illiterate and the proportion of educated citizens is small. For effective

33. The Pay Commission points out (*Report, op. cit.*, p. 529) that this argument was put forward by the All-India Railwaymen's Federation in justification of their demand for the relaxation of political restrictions. But beyond mentioning this, the Report fails to examine the implications of this trend.

34. In this connection it is worthwhile noting that, as mentioned earlier, in the U.S.A., the political restrictions under the Hatch Act are, it is specially stated, not applicable to any employee of any educational or research institution supported wholly or partly by Government. It is surprising that the Pay Commission, which devotes considerable attention to the problem of the salary scales of scientists, does not even mention this important aspect of their service conditions.

democratic functioning, a large number of these people must actively participate in political life and provide leadership to the community. But if, as a result of the continuation of the present restrictions on freedom of expression and political participation on the part of public employees, a large proportion of those citizens who are best qualified to do this are debarred from carrying out this task, the progress of democracy in the country will suffer.

It has already been said above that one of the principal difficulties of present day India is that there is an acute dearth of leadership at various levels; political parties are suffering for want of trained and capable workers. Even for carrying out development programmes intensively, we need not only qualified technicians but also dedicated and capable political leadership. The type of democracy-based economic development that we aim at requires the carrying out of a social revolution. If a large number of educated people are prevented from participating in political discussion and activity, who will provide the base for intellectual and organisational leadership for such a revolution? Among the non-educated or less educated, industrial workers is the main class that can provide dynamic leadership. Will it be conducive to democratic growth to prohibit political activity on the part of the better paid and higher qualified amongst such persons? And if all these above categories are left out, who remain to participate intelligently in political discussion and activity? Lawyers, independent businessmen, and professional politicians! Do we want to grant a monopoly of political life to these classes of persons? Will that be conducive either to the growth of democracy or the progress towards a socialist pattern of society? About the situation in Western Europe it has been said, "In small countries, the talent available for high public office is likely to be limited, and it is understandable that civil servants are allowed to be members of parliament at the same time."³⁵ How the shortage of qualified personnel led to the civil servants' participation in politics in West Germany and how their participation has provided a good source of Parliamentary talent has already been mentioned earlier. These considerations obviously are very important in India.

MODIFICATION OF PRESENT POLICY

Our discussion indicates that there is a conflict here between the two objectives, both of them equally important for us in India at the present time: (i) the maintenance of political impartiality in the civil service and of public confidence in that impartiality both in the interest of public welfare and administrative efficiency (which latter is

35. *B. Chapman, op. cit.*, p. 288.

dependent on the maintenance of the merit system); and (ii) the necessity, especially in the Indian context as described above, for a large number of public sector employees to participate actively in public life. But on closer inspection, it is found that the two objectives are not absolutely irreconcilable. While the maintenance of political impartiality is important, it is not equally important for all categories of public sector employees; so that while some of them may have to continue to be restricted in their political rights, others can be granted freedom in respect of some or all political activities. Similarly, the necessity for a larger number of public sector employees to be free for active participation in discussion and other political activities does not mean that all public sector employees have to be freed. It is enough if a substantial number amongst them was freed from restrictions.

Public sector employees can be divided into various categories:

(1) Union Government Employees—

- (a) Employees carrying out administrative or executive tasks in regular Government Departments;
- (b) Employees carrying out purely clerical or menial tasks in regular Government Departments.

(2) State Government employees—

- (a) and (b) sub-categories as above.

(3) Local authority employees—

- (a) and (b) sub-categories as above.

(4) Public enterprise employees—

- (a) Employees carrying out administrative or executive tasks;
- (b) Supervisory and clerical employees;
- (c) Skilled and unskilled workers.

The question then is: is it necessary to restrict the rights of freedom of speech and participation in political activities in the case of all these categories? The Masterman Committee, after emphasising the importance of maintaining confidence in the impartiality of the civil service, had significantly pointed out, “The public interest demands, *at least among those employees of the State who correspond with the common conception of the Civil Service*, a manner of behaviour which is incompatible with the overt declaration of party political allegiance.”³⁶ In other words, an employee who has “no administrative or executive

36. *Masterman Committee Report, op. cit.*, p. 14 (italics by the author).

discretion and the nature of (whose) work is such that his political affiliation may not affect it"³⁷ can be freed from political restrictions without undermining public confidence in the political impartiality of the Civil Service.

If this principle is accepted, employees in sub-categories 4(b) and 4(c) undoubtedly qualify for freedom from restrictions. I have deliberately used the word 'Public Enterprise' as contrasted from 'Regular Departments'. The former should be taken to include all commercial and industrial enterprises in the public sector, in whatever form they are organised. It is true that some public enterprises, like Railways, Posts and Telegraphs, Defence production establishments, etc. continue to be organised as regular Government departments. The salaries of their employees are paid out of the Consolidated Fund of India and, in that sense, these employees are a part of the regular Civil Service unlike the employees of State enterprises organised in a corporate form. But is this such an essential difference that the employees of these enterprises should be treated on a separate footing from those of other corporate enterprises? Is it not true that the nature of the work performed by the employees of these 'departments' (other than a few top grade employees) is more similar to the work in industrial and commercial corporate establishments either in the public or the private sector than to that in other regular departments of Government? Is it not a fact that these enterprises continue to be operated as departments of Government largely for historical reasons and not because a special distinction can be drawn between the nature of their activities and that of enterprises organised in a corporate form? Has the Government itself not accepted the fact that these 'departments' are different from others, by making the Industrial Disputes Act applicable to the employees of some of them, by exempting the employees of some from the application of some of the restrictions under the Civil Services (Conduct) Rules like those prohibiting demonstrations and strikes, joining of non-recognised associations, collection of political and other funds and criticism of Government in as far as it is related to service conditions and by treating the finances of some, especially the Railways, on a separate footing from general Government finance?

The fact that in other democratic countries, railways and many of the defence production units are organised in a corporate form (either in the public or in the private sector) further supports the approach that there is no fundamental reason why these enterprises should continue

37. *Pay Commission Report, op. cit.*, p. 533.

to be Government departments. If, because of the reason that departmental organisation having worked satisfactorily up to now, no change is considered necessary, and the departmental form is to continue in the future, that is no reason why, in most respects, the enterprises should not be treated as similar to corporate enterprises; they already are so treated in financial matters. The only exception to this could perhaps be the Posts and Telegraphs Department because it may be considered necessary on security grounds to treat this department in some respects as different from other 'enterprise' type departments. The case for treating it differently is not very strong; after all, telephones and telegraphs are operated by private companies in as security-conscious a country as the U.S.A.; but perhaps in India, at least at this stage, the P. and T. Department, in respect of political rights for its employees, may be treated differently from other enterprise type departments. There seems to be no reason, however, for treating the P. and T. workshops differently from corporate enterprises. We should emphasise therefore that employees of all public enterprises should be treated on the same footing in this respect (except perhaps the P. and T. employees), and the Government's direct control over departmental employees does not justify any differentiation being made between them and the employees of enterprises which are organised in a corporate form. All except the administrative and executive grade employees (roughly, class I and II employees) should be freed from restrictions regarding freedom of expression and political activities. Not doing this would not only deprive a significantly large proportion of population of participation in the political life of the country but it will also provide an important argument against the further growth of the public sector; and this would be incompatible with the accepted goal of a socialist pattern of society.

The form of organisation of public enterprises assumes some importance, however, in this context in view of the Pay Commission's observations in this matter. These observations, though directly concerned only with the employees of departmental undertakings, have some application, by implication, to all public enterprise employees. The Commission recognises that the objections usually raised to the grant of political rights to civil servants, viz., that it is necessary to ensure that public servants "would be able to keep their personal political affiliations and activities, and their public duties, wholly apart and that the public would accept that such a separation could be and was in fact being made" do not apply to industrial staff.³⁸ "An industrial employee", the Report says, "has no administrative or executive

38. *Pay Commission Report, op. cit.*, p. 533.

discretion and the nature of his work is such that his political affiliation may not affect it".³⁹ But it does not favour any change or relaxation in the existing restrictions because it thinks that such a change would create a serious danger to the merit system and the service interests of industrial staffs if they become partisans in political controversies. The Commission has not explained why this should be so beyond mentioning that political activity may "expose him (an employee) to victimisation for political reasons, at the time, or in future."⁴⁰ The Commission evidently thinks that none of the provisions in the procedures laid down for promotions will save the employees from possible discrimination by the Minister in charge of the undertaking. This shows a certain lack of confidence in the fairness of politicians. But is it proper to deprive employees of public enterprises of rights which it is otherwise considered appropriate that they should enjoy because of a fear that their political superiors will not play the game? The better course, if such unfair behaviour is considered likely, is to provide safeguards against it. The promotion procedure should be so laid down that the merit of the employee in regard to his work in the enterprise, and not extraneous considerations like his political affiliations, should determine his promotion. In the case of undertakings organised as statutory corporations or companies, if well-recognised principles regarding the degree of Government control are followed, promotions to most grades will be decided by the higher management organs and the Minister will have nothing to do with it. A similar convention could be adopted in the case of departmental enterprises, or alternatively, if it was felt that Ministers are not likely to observe such conventions, all undertakings could be organised as semi-autonomous corporations and companies. This latter course would also meet the difficulty that may be put forward about granting freedom to the employees of some departments while denying it to others.

A further point in this connection is—if employees other than administrative and executive grades from public enterprises are to be freed from restrictions on political activities, should this not also apply to the higher grades in these enterprises? Here, a distinction will have to be made between enterprises which continue to be organised in a departmental form, and those which are organised in a corporate form. In the case of the former, though a large part of the functions of their top employees would be similar to those of the top employees of the latter category, because of their being run as departments of Government they will be much more directly working with the Minister

39. *Ibid.*

40. *Ibid.*, p. 531.

concerned, and therefore cannot openly declare their political loyalties and opinions without jeopardising the smooth functioning of their departments. Therefore, the normal restrictions applicable to civil servants will have to continue to apply to this category. Even in the case of the corporate enterprises, these top grades would be either appointed by the concerned Minister himself or their appointment would be subject to his ministry's approval and in some ways their relationship to him would be similar to the relationship between the top civil servants and the Minister. This indicates that it will be better for these persons to observe a certain reticence about matters of political controversy. In some respects their position will not be very different from that of the top executives in private concerns. These latter are expected to devote their full time and attention to their jobs and over-active participation by them in matters outside their fields of work is frowned upon. The same would apply to the top executives of corporate public enterprises. But this is not to say that they should be formally subjected to civil service type rules. It should be left to their good sense and sense of propriety to observe the necessary restraint and reticence. After all, even private businessmen do not enter fields of acute political controversy which may embarrass their business relations with Government. But if they think that certain policies of Government are directly affecting in an adverse way the working of their enterprises they are free to speak out. The same should hold true about the managers in the public enterprises. And there is no reason whatever for denying them freedom of expression in matters unconnected with their official work. Some chief executive of, say, a state-owned steel concern may have considerable interest in art or in town and country planning; there is no reason why he should not be free to criticise the policies of the All India Radio or of a City or State administration. It is true that an executive employee in, say, a public steel concern should not publicly criticise the management of his concern or the controlling ministry; but he should be free to criticise other aspects of public policy and administration. Even as regards the enterprise and the ministry under which he is employed, there should be a deliberate attempt to create opportunities for him to criticise and suggest reforms, though this has to be done in a private and not a public form.

The removal of the restrictions on public enterprise employees will be of great significance for two reasons : (i) that even today, they constitute a very large majority among public sector employees; taking the employees of departmental undertakings (class III, class IV and workshop employees of Railways, Posts and Telegraphs, and Defence production establishments) alone, they constitute about 82% of

total Central Government employees;⁴¹ the proportion will be even larger if non-departmental enterprises are included; and (ii) that, as indicated earlier in this article, the number of employees in this sector is bound to expand rapidly in the next decade or so.

Acceptance of the Masterman Committee's approach, mentioned above, would further indicate that some relaxation in restrictions should also apply to Government employees who are carrying out purely clerical or menial tasks even in what can be called regular Government departments. Here it may be necessary to be cautious and accept the fact that what is considered practicable and safe in U.K., may not necessarily be practicable and safe in India today. But it does not seem as if no progress is possible. First, a distinction could be made between the right of freedom of expression and the right of participation in political activities. Secondly, a distinction needs to be made between political activities at the all-India level, at the State level and at the local level. There seems to be no reason why all clerical and manual employees should not be allowed to exercise their right of freedom of expression. For the time being, the position could be similar to that in the U.S.A. Freedom of expression may be guaranteed, subject to the right not being exercised, (i) as a part of a political party campaign (in cases where political participation is not permitted; see further below) and (ii) so as to criticise in public the particular employing authority (except in respect of matters connected with conditions of service). Hedged in with some restrictions as it would be, and therefore tending towards prudence and caution, the right will still be of real value in releasing a large number of educated and semi-educated persons to participate in public discussion of a wide variety of issues.

As regards the right to participate in political activities, no doubt it will be necessary to proceed more cautiously. As things stand today, even a typist or a peon known to belong to a party in opposition may be suspected and, it has to be conceded, in many cases rightly suspected of disclosing Government information of a confidential character. Therefore, for the time being at least, such participation on the part of even clerical and manual employees of Central and State Governments will have to continue to be prohibited. But it seems that no serious objection could be taken to clerical and manual employees of local authorities participating in party political activities subject only to the restriction that they should resign or go on leave of absence if elected to any legislative body including a local authority. No doubt even this involves some risks. But some

41. *Ibid*, p. 24. Also see Table 2.13, *Statistical Supplement to the Report*.

beginning has to be made to make people conscious of the fact that their responsibility as public officials and their rights as free citizens of a democracy have to be reconciled for the proper working of a democratic society. This is especially important in a country which has accepted the socialist pattern of society as its goal and where, therefore, the number of people employed by public authorities of various types is bound to grow rapidly. If a beginning is to be made in some way, the approach suggested above seems to be the most suitable.

Special mention needs to be made of various types of professional employees who are, and will increasingly be, employed by Government for scientific and professional work. Teachers at various levels, scientific research workers, doctors and other medical personnel, engineers, and other such highly qualified, educated and intellectually alert persons belong to this group. These provide the potential intellectual leadership of the country. With the increasing employment by Government and semi-Government agencies of this type of persons a very important class will be prevented from participation in free public discussion. This will be a sad loss to the country which it can ill afford. Most of these persons will be carrying out professional work in Government and only a few of them will have administrative responsibilities. Removal of restrictions regarding freedom of expression seems to be quite appropriate in the case of these persons. Here, the example of the specific provision made under the Hatch Act in the U.S.A. is a useful one to follow. In other countries like France and West Germany also, such categories of public servants as teachers suffer from no political restrictions. As a first step, in India, we may only relax restrictions on freedom of expression. Of course, in their case also, it will be necessary to prevent their making use of this freedom to publicly criticise and thus embarrass the organisations where they are employed. But in this case it will probably be enough to set up a Code of Discretion on the lines of the U.K. Code referred to above.

As mentioned earlier, the Pay Commission needs to be congratulated for drawing attention to the extremely important problem of political rights of public sector employees. But it seems to the present writer that the Commission erred too much on the side of caution and conservatism. It does not seem to have given enough weight to the importance for the growth of Indian democracy of at least making a beginning towards relaxation of present restrictions which are largely a heritage of foreign rule. The Commission, of course, was limited by its terms of reference to problems affecting only Central Government employees. It could not therefore go into this problem as it affects the country as a whole. It could not directly discuss the problem even

of employees of non-departmental undertakings under the Central Government; much less could it discuss the problem of the employees of State Governments and local authorities. Therefore it could not have discussed the problem from an all-India point of view as has been attempted here. However, even regarding employees like those of Railways with whom it was directly concerned, the Commission took an approach which, as explained above, does not seem to be the right one. Moreover, in matters like conditions of service, the State Governments, local authorities and State enterprises all largely follow the lead given by the Central Government. The approach advocated by the Pay Commission will therefore have an influence much beyond the sphere with which it was directly concerned. The unfortunate effect will be that the present restrictions will continue in their full rigour for all public sector employees. It seems to the present writer that a modification of present policies, on the lines indicated above, is urgently necessary as a first step which will set us on the right path, without exposing our young democracy to undue risks and dangers.



THE U.S. FEDERAL SUPPLY SYSTEM

P. P. Kapoor

WITH the increasing participation of the State in the development of industrial activities in India, the ratio of Government expenditure over materials in proportion to that of personnel is rapidly rising. Since public expenditure over materials and equipment is assuming such large proportions, Supply Organisations of the Government are bound to play an important part in the industrial developments in the country, particularly in the public sector.

In this context it will be desirable to examine the Supply Systems set up by the Government of the U.S.A. as industrial advancement in that country has far outstripped industrial developments in the rest of the world. The U.S. Federal Supply System provides a living model of the shape of things to come to the students of the Supply Organisations in this country.

The Federal Supply Agency was set up by the Federal Property Administrative Services Act of 1949; it is a part of the General Services Administration. This Act while laying down the structure of the Agency also prescribes a procurement procedure which is applicable not only to this Organisation but to any other organisation which is authorised to conduct its own purchases directly. It is also laid down that authority to purchase is to be delegated only on grounds of economy, efficiency or national security. Besides, it is incumbent on the purchase organisation to advertise almost all their requirements. Some of the important exceptions are : (1) purchases to be effected in a national emergency; (2) demands valued at less than \$1,000.00; (3) medicines or medical property; (4) where it is not possible to secure competition; and (5) developmental indents. These provisions are intended to ensure that even in cases where purchases are delegated by the Central Purchasing Organisation, proper procedure is followed by the agency to whom such authority is delegated. It prevents enthusiastic or powerful agencies to secure a dispensation from the Federal Supply Agency with a view to effecting purchases in a haphazard or unbusinesslike manner under one pretext or another. The legislature, by adopting this procedure and prescribing it for all agencies including those to whom authority is delegated by the Central Purchasing Organisation, has safeguarded the financial interest of the State and at the same time strengthened the hands of the C.P.O. It is no longer left to any organisation to adopt any mode of purchase except those prescribed by the Act and followed by the C.P.O. Under the

circumstances, if any agency of the Government demands authority to purchase its requirements it has to build its case on grounds other than delays in advertising tenders. It was also intended by the legislators of the Act of 1949 that periodic reviews are to be carried out to determine that the delegated authority has been properly used and that steps will be taken to correct any misuse of authority.

It will be of interest to note that this Act has gone so far as to taboo cost-plus-percentage-of-cost system of contracting. Only cost-plus-fixed-fee contracts can be executed and in their case the fee shall not exceed ten per cent of the estimated cost.

The Act further lays down that all contracts negotiated without advertising will include a clause to the effect that the Comptroller General of the United States shall, until the expiration of three years after final payment, have access to any directly pertinent book and documents of the contractor. Heretical though this provision may appear to be, it enables the Comptroller General to examine a contractual performance on a two-dimensional basis.

Problems of liquidated damages for delayed supplies also haunt the Federal Supply but these have been resolved to a large extent by having only pre-determined liquidated damages for contracts where actual loss may occur due to delayed supplies. Terms of contract of the Federal Supply Agency are otherwise free from the liquidated damages clause.

WAREHOUSING OF STORES

The second important feature of the Federal Supply Agency is the provision of warehousing of stores. With the help of a Federal Supply Fund, common-user items which are frequently required by a large number of government departments, are purchased and stocked in the warehouses maintained by the Agency. This facility of warehousing enables the Federal Supply Agency to go to the market not only when an indent is received as is done by other purchase organisations, but at times when it is good to be out in the market for the purchase of a particular item. At times the Federal Supply can utilise the idle capacity of a particular industry to the benefit of the manufacturer as well as the Government. In such circumstances, as we are well aware, the manufacturers gladly offer economic rates. By stocking these goods in the warehouse the organisation is able to regulate their supplies throughout the year to the various government agencies. Of course, a careful watch has to be kept for the provisioning of these articles because there are dangers of overstocking as well as understocking. The former results in unnecessary lock up of

capital and wastage of storage space and the latter results in complaints from indentors on account of delays and purchases in emergent conditions which are invariably expensive. A Stores Directorate set up at the headquarters keeps vigilant watch over the various items stocked in warehouses. Constant reviews are undertaken with a view to arriving at, what is known as, E.O.Q., *i.e.*, Economic Order Quantity. The Directorate issues directives from time to time to the regional supply organisations enjoining them to place orders for particular commodities in quantities and in frequencies determined by it. This formula of E.O.Q. takes into consideration the quantitative discount in the purchase of an item, its cost of storage and handling and the frequencies as well as the volume of the demands of the indenting departments.

For the guidance of the indentors, a catalogue of goods stored in the warehouses is issued at periodical intervals. These catalogues contain the current prices of the stores and are a reliable guide for the framing of indents by the various government departments. For all items covered by the catalogues there is no possibility of over-estimating or under-estimating the cost of the store indented. This is a great help to the indenting departments in framing their budgetary estimates as well.

Warehousing obviates a large number of Urgent or Express indents which are unavoidable in the absence of ready stocks or when ordering is done on a hand to mouth basis. It is common knowledge that either higher prices are paid for earlier deliveries or if the indentor's delivery period is not complied with, financial loss generally occurs at the consuming department's end. And in case the indenting organisation is a State undertaking or a factory serious dislocations in production could take place.

At the time of the setting up of the warehouses it was observed that a number of indentors had their own small godowns and by the centralising of the government warehousing under the aegis of the C.P.O., substantial savings in storage space were effected. It also enabled economies to be effected in the cost of maintenance by the application of scientific methods of storage and by rationalising the manner of provisioning. This could not have been possible when the stores were being maintained separately by the consuming Government departments. Incidentally, the Government warehouse in Washington D.C. has a closed circuit television system for the supervision of work in its different godowns and yards.

TRANSPORTING SUPPLIES

There is a separate agency almost parallel to the Supply Organisation which enters into contracts for the transport of

goods purchased by the Government. The Transport and Public Utility Service, as it is called, handles all inland as well as overseas transport. Of course, the peculiarity of the transport industry in that country renders the setting up of such an organisation essential. With a few exceptions the major transport agencies, either rail, road or sea or even air, are operated by what is popularly known as the private sector of the industry. Competition among the various operators is very keen. This competition is not only between one mode of transport and another but among the operators of a road or rail transport as well. In order to handle the transportation problems on a country-wide basis, the T.P.U.S. maintains ten offices scattered all over the country. Purchase Officers are required to contact the regional transport organisation concerned right in the very start of their procurement process. On the basis of the advice furnished by the T.P.U.S., the Purchase Officer decides if the quotations are to be invited on f.o.b. factory or f.o.b. destination basis.

In view of the many different ways of shipping freight, selecting the most economical method is an important function of the Service. It is not always the actual freight which is the sole criterion of economy but the total cost of handling of goods, including the freight and the time taken which determines as to whether or not the goods have been delivered in an economic manner. To illustrate, rail freight from St. Louis (Miss.) to New Orleans (La.) for the shipment of wheat may be lower than the river freight but if the cost of loading and unloading is taken into consideration, probably it would turn out to be expensive if wheat is shipped by rail than by river barges. The reason being that grain elevators at New Orleans may have facilities for the unloading of grain by the suction method which is relatively inexpensive compared to the cost of unloading and loading by the conventional method adopted on the railroads. Similarly, as the T.P.U.S. discovered to their surprise, it is more economical to send a cargo of animals to Turkey by air in a chartered aircraft than by the conventional sea transport. The cost of feeding the animals on a long voyage, loading and unloading, cost of transport from the disembarkation point to the ultimate destination in the interior of the country, the cost of the attendants and the risk to the animals in a sea voyage far outweighed the expenses in chartering the aircraft. There are a number of commodities where cost of transport forms an important part of the cost paid by the consumer. In such cases care and acumen in choosing the right mode of transport can go a long way in effecting economies.

DECENTRALISATION

Large-scale decentralisation is another important feature of the Federal Supply Organisation. All *ad hoc* purchases are decentralised.

The Headquarters organisation deals only with rate or running contracts or any other commodities which can best be handled on a national basis. In the latter category fall those essential commodities like nickel which are in short supply and are being procured on long-term contracts with a view to developing indigenous resources.

The entire country is divided into 10 Regional Supply Offices. Each region has its own warehouse and a purchasing organisation aided by the Quality Control staff. The latter is a more dignified name for the Inspecting Organisation. In the headquarters, however, a constant watch is kept on the classification of the stores. Depending upon the ebb and flow of the requirements, commodities are either centralised or decentralised. Although the general principles governing the classification of stores as centralised or decentralised are well known, yet each item is considered on its own merits before any final decision is arrived at. Frequent reviews have to be undertaken, as is our experience too, to keep the requirements of the indentors geared to the capacity of the manufacturers.

At the headquarters, except for the National Buying Division which deals with the purchase of centralised items, the rest of the Divisions are concerned only with matters of policy. The Directorate of Stores deals with warehousing programmes. The Directorate of Quality Control deals with the inspection of stores, quality control, etc. The Utilisation and Sales Directorate is concerned with the disposal of surplus stores and the Motor Equipment Division manages the Inter Agency Motor Pools.

RENEGOTIATION

The Renegotiation Act of 1951 provides for the recovery by the United States Government of excessive profits made under the Government contracts with designated agencies. Statutory renegotiations date back to 1942. Except for an interval of about two and a half years, the Act has been in force for a period of about fourteen years in the United States. The Act of 1951 created the Renegotiations Board as an independent establishment of the Government to administer the Act. The Renegotiations Board is composed of five members. Most of the members, past or present, have been drawn from the commercial community.

The Renegotiation Act is applicable to contracts with the Military departments and certain other agencies including the Federal Supply. The original intention of the Congress was to re-negotiate contracts entered into by the Executive for national defence purposes only. The idea underlying the Act is that in emergent conditions,

orders may be placed by the Government to meet their urgent requirements and it is possible that in the anxiety to arrange for quick supplies, the financial interests of the State are not fully safeguarded. In the course of years, however, the Act was found to be a useful weapon to cover the Government in respect of large value contracts like the development of an atomic submarine, a supersonic aircraft or an inter-continental missile. In all such cases the contracts have to be drawn out on a long-term basis. The potentialities of the business are unknown to both the parties. While the private enterprise has a flexibility which enables it to adjust itself in new conditions of business, the Government may be rigidly bound by the terms of the agreement. In fact, this is one of the factors which discourages government purchasing organisations from entering into very long-term agreements with the industry. In the present age of rapid developments in the field of military strategy, the Government finds itself well protected by the Renegotiation Act and can boldly pursue imaginative schemes without any large fears of being impugned for not possessing foresight enough to visualise all eventualities.

Not all the contracts entered by Government agencies are, however, covered by the provisions of the Renegotiation Act. Important exceptions are: (i) contracts for standard commercial articles; (ii) contracts valued at less than one million dollars; and (iii) contracts for raw materials or agricultural commodities. All contractors whose contracts are governed by the Act are required to submit annual reports with respect to their receipts and their accruals from renegotiable contracts and sub-contracts during the fiscal year. Individual renegotiation of contracts is felt to be impracticable as well as unfair to the contractors in certain cases.

Re-negotiation applies to all sub-contracts that are entered into by a contractor for the fulfilment of his commitment to the Government. For this purpose, commissions paid to agents for services rendered, including the commissions allowed to representatives for securing orders, are also governed by the Act. From the point of view of the purchase officers, it would be interesting to note that the Board disseminates renegotiation results and information to the purchasing personnel for use in procurement, forward pricing and price finalisation proceedings as a means of avoiding excessive profits to the contractors.


It seems that the proposal for a Renegotiation Act in India was discussed at the instance of the Auditor General of India in the Public Accounts Committee last year, but apparently the matter was dropped.

TRAINING AND PLANNING

Among the three Assistant Commissioners attached to the Commissioner of Federal Supply, who is equivalent to the Directorate General of Supplies and Disposals in India, one of them is exclusively in charge of the subject of Training and Planning. According to the procedure followed, no officer is allowed to sign contractual documents unless he had had training in the Agency for about 3 or 4 years. A fresh entrant is required to go through an elaborate mill of study as well as actual experience of work to be gained by him as an under-study to responsible contract officers. To be conversant with the set-up of the Agency, the functions of its various divisions or directorates, the nature and variety of stores handled, set-up of the indenting organisation with which he is to deal as well as important suppliers to the Government, are some of the subjects of a study of a recruit.

The Planning Directorate prepares literature not only in the form of papers and notes, but in the shape of films and tape-recorded talks as well. Audio-visual methods are frequently utilised for the education of the personnel of the Purchase Organisation, the indentors and the contractors. Indenting Departments are appraised of the difficulties in which the Central Purchasing Organisation has to work and advised as to how best they can render help to the purchaser to arrange economical procurement and prompt delivery of the stores which ultimately is to the benefit of the indenter himself.

Literature is also prepared with a view to guiding various other organisations in the U.S. Government who are undertaking direct purchase due to one reason or the other. There are a number of Government agencies which are handling petty purchases. Although the responsibility for such purchases entirely rests with those units, yet for their guidance the Federal Supply Agency has laid down rules and procedure which they may adopt to the benefit of the State. Similarly; there are a number of other specialised agencies who are buying stores peculiar to their requirements. Although such agencies are well equipped to handle technical aspects of the purchase of a particular equipment, yet they may unwittingly commit errors in the drawing up of the actual contractual documents. Federal Supply does not believe that if an indenter does not effect purchases through them, that indenter is not entitled to their help. Purchasing is recognised as a professional function and if for one reason or the other the legislature exempts a particular agency from effecting purchase through the Central Purchase Organisation, it is not in the interest of the Government as a whole that the agency should be allowed to run amuck with consequent loss to the State Exchequer and dislocation of the trade.



THE IMPLICATIONS AND SCOPE OF DEMOCRATIC DECENTRALISATION

P. R. Dubhashi

EVER since the Mehta Study Team on Community Projects and National Extension Service made their recommendations for democratic decentralisation, it has become such a dominating concept in the Community Development that both democratic decentralisation and the Community Development have tended to be synonymous with each other. Democratic decentralisation does not exhaust the scope of Community Development. There is, however, a very kindred kinship between these two concepts.¹ This is because "Community Development is identified with almost any form of *local betterment* which is achieved with the willing co-operation of the people".² "Local betterment" stands for the decentralisation element and "willing co-operation" of the people stands for the "democratic element" in the idea of Community Development. In Community Development there is an emphasis on one hand on the "small scale development specifically related to the needs and welfare of the people in their *local communities*";³ on the other hand, "in a very real sense Community Development means an enlargement of the *individual freedom* in things that matter most to ordinary people".⁴ Community Development is related to democracy in yet another way—through its methods. Democracy is often defined as "Government by discussion". Community Development requires the community "not merely to watch and listen but to think, participate, learn, *discuss* and decide".⁵

The Mehta Team, however, arrived at the concept of democratic decentralisation through the broadening of the concept of "people's participation" in "Community Development". "People's participation is not merely their providing a certain proportion of the cost of a particular work in cash, kind or manual labour. It is their full realisation—that all aspects of Community Development are their concern and the Government's participation is only to assist them where such assistance is necessary . . . such participation is possible only

1. B.P.R. Vithal, "Institutional Organisation and Community Development", *Kurukshetra*, April 1959, pp. 13-14.

2. T.R. Batten, *Communities and Their Development*, Oxford University Press, 1957, p. 1.

3. *Ibid.*, p. 3.

4. *Ibid.*, pp. 229-230.

5. *Ibid.*, p. 170.

through the organisation of elective democratic institutions".⁶ "There should be a devolution of power and decentralisation of machinery and such power should be exercised and such machinery controlled and directed by popular representation of the local area."⁷ The Mehta Team therefore proceeded to give a comprehensive blue-print of elective democratic institutions at various levels.

Undoubtedly more radical in nature, this blue-print though possessing the novelty of a new designation of "democratic decentralisation" was nothing but yet another version of the experiment of local self-government which started with the famous resolution on local self-government of 18th May, 1882, initiated by Lord Rippon, that had set out the general principles which were to govern the future development of local institutions. Local self-government was also all along a part of the aspirations of the national movement. The 24th session of the Indian National Congress meeting at Lahore in December 1909 while considering the Report of the Royal Commission on Decentralisation hoped that "Government will be pleased to take early steps to make all local bodies from Village Panchayat upwards elective with elected non-official chairmen and to support them with adequate financial aid".⁸ Indeed, in India, the roots of local self-government have been traced to the hoary past though one is not too sure that village and intermediate institutions were always elective in character. Without going into the history of this ancient institution, suffice it to quote the graphic but not very accurate description by one—whom Woodruff calls one of the founders of the British rule in India—Sir Charles Metcalfe: "The village communities are little republics having every thing they want within themselves and almost independent of foreign relations. They seem to last where nothing else lasts. This union of village communities, each one forming a little state in itself, is in a high degree conducive to their happiness and to the enjoyment of a great portion of freedom and independence."

No one now visualises the restoration of these local government institutions in all the pristine glory of their splendid isolation or their self-contained socio-economic life. But the existence of these local government institutions in the framework of democracy has always been considered by political thinkers as essential to the working of democracy. The great thinker on liberty and representative Government, John Stuart Mill, felt the need of local government institution on

6. *Report of the Study Team on Community Projects and National Extension Service, Committee on Plan Projects, Vol. I, p. 3.*

7. *Ibid.*, p. 7.

8. H.D. Malaviya, *Village Panchayats in India*, New Delhi, All-India Congress Committee, 1956. The Balvantray Mehta Team is not first to coin the phrase "democratic decentralisation". In his preface to the above book Shri Shriman Narayan hopes that Shri Malaviya's book will help the process of "Decentralisation of Democracy".

various grounds—"firstly on the principle of division of labour it is indispensable to share the aggregate duties of Government between the Central and Local authorities".⁹ Secondly "these local functions carry down the important political education...to a much lower grade in society...It is a school of political capacity and general intelligence";¹⁰ and *thirdly* those who have any interest in common which they do not share with the general body of the countrymen may *best manage* these joint interests by themselves.¹¹ James Bryce, the author of the massive and monumental work on Modern Democracies, spoke at length of the "general service which self-government in small areas renders in forming the qualities needed by the citizen of a free country."... Firstly, "it creates among the citizens some of their common interest in common affairs"... "Whoever learns to be public-spirited, active and upright in the affairs of the village has learnt the first lesson of the duty incumbent on a citizen of a great (democratic) country. Secondly local institutions train men not only to work for others but also to work effectively with others. They develop commonsense, reasonableness, judgment, sociability". "The countries in which democratic government has most attracted the interest of the people and drawn talent from their ranks have been Switzerland and the United States of America...in which rural local government has been most developed. These examples justify the maxim that the best school of democracy, and the best guarantee for its success is the practice of local self government".¹²

Writing in more recent times, Professor Harold Laski affirmed that "the case for a strong system of local government in any State is clear almost beyond the needs for discussion".¹³ He adds: "We cannot realise the full benefits of democratic government unless... among the inhabitants of some given area, there is a consciousness of common purpose and common needs by which they are differentiated from the inhabitants of other areas". "Administration from without lacks the vitalising ability to be responsible to local opinion. It cannot grasp the genius of the place". "Local government therefore is educative—in perhaps a higher degree than any other part of government". It is on these grounds that in India too the national leaders made a case for local government. Mr. Gladstone hoped that from the training school of local government might emerge the future leaders of India and Indian leaders like Gokhale and Mehta were in full

9. J.S. Mill, *Considerations on Representative Government*, New York, Forum Books, Inc., p. 213.

10. *Ibid.*, p. 219.

11. *Ibid.*, p. 217.

12. James Bryce, *Modern Democracies*, London, Macmillan, 1921, pp. 148-150.

13. Harold Laski, *Grammar of Politics*, London, George Allen & Unwin, pp. 211-213.

agreement with this. "We value local government for the fact that it teaches men of different castes and creeds who have been kept apart to work for a common purpose."¹⁴ Many architects of India's independence served a period of apprenticeship in local government institutions.

It is therefore clear that though the latest advances in local self-government have been the direct sequel to the recommendation of a committee on Community Development, there is little doubt that even in the absence of a Community Development programme, the traditions of local self-government institutions, the express aspirations of national movement, and the requirements of democracy would doubtless have culminated into an advanced system of local government. Decentralisation is conducive to democracy but they are not invariable concomitants; local government institutions are excellent instruments of community mobilisation but are neither indispensable nor a condition precedent to Community Development. However, Democracy, Decentralisation, and Community Development are movements which by virtue of their pursuit of a common objective—viz., freedom and dignity of the individual—and by virtue of their adoption of similar methods, viz., methods of education, are mutually tied with each other and support and supplement each other.

Democratic decentralisation in simpler terms would be "free popular management of local affairs". By a process of logical deduction its essential ingredients would be:

- (i) Existence of authorities at various levels each closer to the ultimate sovereign, viz., the people;
- (ii) Allocation of sphere of activities to these authorities;
- (iii) Democratic composition of these authorities;
- (iv) Democratic working of these authorities; and
- (v) Autonomy to these authorities in their allotted sphere limited only by the supervision of democratic authorities at a higher level.

In what follows the scheme of democratic decentralisation as envisaged by the Mehta Study Team and as embodied in the Acts passed by the three State Governments, which have taken steps to implement the recommendations, viz., Rajasthan, Andhra Pradesh and Mysore, will be examined with reference to each of the ingredients of democratic decentralisation mentioned above. The analysis will also endeavour to compare the emerging pattern of democratic decentralisation in India with that already established in the settled democracies of the West.

14. Hugh Tinker, *The Foundations of Local Government in India, Pakistan and Burma*, London, Athlone Press, 1954.

LEVELS AND AREAS OF DEMOCRATIC DECENTRALISATION

At the outset, it may be stated that "The Rajasthan Panchayat Samitis and Zila Parishads Act, 1959" ushered in democratic decentralisation in Rajasthan, "The Andhra Pradesh Panchayat Samithis and Zila Parishads Act, 1959" in Andhra and "The Mysore Village Panchayats and Local Boards Act, 1959" in Mysore. It will be noticed that the Acts of Andhra Pradesh and Rajasthan create only the higher level local government institutions; they do not create the basic institution, viz., panchayat, for the simple reason that they build upon the provisions already contained in the previous panchayat enactments viz., the Madras Village Panchayat Act, 1950 (Madras Act X of 1950) and the Hyderabad Gram Panchayat Act, 1956 (Hyderabad Act XVII of 1956) in case of Andhra Pradesh and the Rajasthan Panchayat Act, 1953 in case of Rajasthan. The Mysore Act contains provisions in respect of all the local government institutions.

All the three Acts have broadly accepted the scheme recommended by the Mehta Team, viz., the Panchayat at the village level, the Panchayat Samiti at the block level and the Zila Parishad at the District level. In Mysore Act, the Zila Parishad is designated as the District Development Council and the Panchayat Samiti as the Taluk Development Board.

The chart on p. 374 shows the tiers of local self-government in India and other democracies. France has a four-tier system but only the first and the last one are of real importance. It is also to be noted that while in France cantons are local government institutions, in Switzerland they are constituents of a Federal structure. The latter are, what K.C. Wheare calls, the regional Governments which share powers with the 'general government' as co-ordinate and independent entities.¹⁵ United States of America and Yugoslavia have a two-tier system of local government but India like England (keeping the chartered towns and large towns apart) has a three-tier system. In the countries mentioned in the chart, United States of America and Switzerland are examples of federal system, the rest of the unitary system. In the former, the centre to which they look to is the State Government while in the latter, it is the 'Central Government'.

It is interesting to compare the units chosen as areas of local self-government. Are there any general principles on which areas are chosen as units of local self-government? The choice of areas is determined partly by matters of convenience and partly as matters of history

15. K.C. Wheare, *Federal Government*, Oxford University Press, 1946, p. 11.

LOCAL-SELF GOVERNMENT PATTERN

India	England	France	Switzerland	Sweden	U. S. A.	Yugoslavia
State Government	Central Government	Central Government		Central Government	State Governments	Central Government
Zila Parishad (District)	Counties and County boroughs (Major local authorities) (Population mostly between 2½ lakhs to 5 lakhs)	Department (Council General) Arrondissement (Council)	<i>Cantons</i> (area 92 to 2700 square miles) (Population 23,000 to 665,000) (a) Primary Landesgemeinde primary assembly (b) Representative	Provincial communes	Counties (Population 300 to 4 millions) (average 50,000)	District
Panchayat Samiti (Block) (Population between 66,000 and 1 lakh)	Non-county boroughs Urban Districts Rural Districts (Population mostly below 50,000)	Canton				
Panchayat (Village)	Parish's Councils (Population over 300 villages)	Commune	Communes (Councils in larger villages and towns)	Communes	Townships (Southern States: Area—20 to 40 square miles)	Communes (Population 5000 to 50,000)

and local prejudice.¹⁶ The convenience or suitability of an area may depend upon what R.M. Jackson calls the 'catchment area' on the one hand, and on the size to give 'necessary service' on the other.¹⁷ What Demand and Supply are to the determination of the size of a plant are those to the determination of the size of the local area. The simplicity of this principle however at once disappears, the moment we recognise that the local governments cater not for one service but many and for several services we will be having widely varying sizes "with boundaries criss-crossing all over the place"¹⁸ and few may venture to go whole hog to the logical conclusion of these principles, but no less authorities than Mr. & Mrs. Sidney Webb had put forward a scheme for the re-organisation of local government in England exactly on these lines. This scheme, which G.D.H. Cole designates as "Webbsimus"¹⁹ is based on the principle that "each service shall have its own area". To evolve such a constitution they envisage various *ad hoc* bodies of different "unitary cells" with a directly elected single representative. We need not go into an examination of the merits and demerits of this system. On the very face of it, the system is unworkable and impossible and only serves to remind that theory must be modified with pragmatic considerations. "Size and strength", "the size and population needed for various services" and "the social pattern" may all be taken into account in determining the areas of local Government but none of these principles could be carried to a logical conclusion in a 'Procrustean manner'.

In the context of these principles we might consider the units of self-government. In all countries (except England) the commune is the basic local Government unit. "The commune is the primary entity of the territory and of the life of the people worthy of the name. Such as it is, such is the nation. It is its cradle. It is its future."²⁰ This graphic description could well be applied to the Indian village community also. The village community in India is what Arthur Morgan calls the "face to face community",²¹ the basic "neighbourhood group" which is chosen as the foundation of democracy. In the words of Shri V.T. Krishnamachari, village community "with ties of neighbourhood, common needs and sense of identity of interest, and in which there is a feeling of intimacy and mutual obligation" is united in a

16. G. Montagu Harris, *Problems of Local Government*, London, P.S. King, 1911, p. 16.

17. R.M. Jackson, *The Machinery of Local Government*, Macmillan & Co., 1958, p. 6.

18. *Ibid.*, p. 7.

19. G.D.H. Cole, *The Future of Local Government*, Cassell & Co., Chapter XVII.

20. G. Montagu Harris, *op. cit.*, p. 17.

21. Arthur Morgan, *The Community of the Future and the Future of the Community*, Sevagram, Hindustani Talimi Sangh, 1958.

Panchayat".²² Questions of viability of a unit, however, have again stepped in. Though village is the basic unit in the Mysore Act, that 'village' is not identical with a revenue village but "any area comprising a revenue village or a group of revenue villages declared to be a village under the Act"²³; Government can declare such an area by notification for a population of not less than 1,500 and not more than 10,000. Moreover, a village of not less than 5,000 and an annual income of not less than Rs. 1,000 can be elevated to the status of a Panchayat Town.

The choice of the next bigger unit is more difficult. The Mehta Team posed the problem as follows: "The various alternatives which we have considered are that the institution should be identical in extent with (i) National Extension Service Block, or (ii) the Tehsil, or (iii) the Sub-Division, or (iv) the District".²⁴ They concluded: "the blocks offer an area large enough for functions which the Village Panchayat cannot perform and yet small enough to attract the interest and service of the residents".²⁵ On what considerations is this choice made? Has it been on tests of an optimum unit mentioned above?—tests of "catchment area" "efficiency of service" and the "social pattern"? One seems to agree with the criticism of a foreign expert²⁶ "nowhere does the Report examine the requirements for optimum administration . . . There was no real opportunity for the Team to test their conclusion (regarding choice of the intermediate unit) because the specific and detailed requirements of individual functions were never appraised. To over-simplify the logic but perhaps to catch the truth of the process of choice: since local government is development and village cannot perform all development functions and other units are not development units, therefore the intermediate unit of development should be the development block. At each stage in this process, there are untested assumptions". The appraisal of "specific and detailed requirements of individual functions" would however lead to Webbsimus which might lead to multiplicity of units and chaotic administration. One has therefore to have a compromise between the theoretically optimum units and the existing functioning units.

The question whether the Block is a "social pattern" or a "social system" has recently been examined by two distinguished American

22. V.T. Krishnamachari, Address at Annual Conference on Community Development, July 1952, p. 1.

23. B.H. Baden Powell defines village as follows: "the term does not refer merely to a street or a group of buildings, it includes both the cluster of houses and the surrounding land cultivated". See Baden Powell, B.H., *Village Communities in India*, pp. 7-8.

24. *Ibid.*, p. 8.

25. *Ibid.*, p. 9.

26. Arch Dotson, "Democratic Decentralization in Local Self-Government" *Indian Journal of Public Administration*, Vol. IV, No. 1, p. 44.

sociologists.²⁷ The questions they have posed are: "Is the block only an artefact of government? Will it become solid and established or will it be a passing phase in the organisation of India's government? To what extent will it become a social system permanently embedded in the network of the total society of India?" They then proceed to examine the block as a social system with reference to the elements of social system which include belief, sentiment, end, norm, status, role, power, rank, sanction and facility. Their conclusion is—"The block, with the circle of villages in it, is a new organisation completely set up by government not yet completely formed as a social system but well on the way." Their hope is—"when the Block arrives as a fully developed social system it will no doubt be seen as a new and basic unit of local government, at once child and parent of a strengthening democracy". The distinguished authors have tried to pre-conceive a pattern and then thrust it on a given set of circumstances; they have not attempted to analyse the existing facts and then find out whether any pattern emerges out of it. Their laboured analysis, therefore, looks more like an academic exercise than a safe basis for the choice of an intermediate unit of local self-government.

Turning from these theoretical considerations to the actual decisions we find that both Rajasthan and Andhra legislations have adopted Block as the unit of intermediate local institution while Mysore has adopted Taluk as the unit. Very rarely a Block may cut across more than one Taluk; almost always, a Taluk may comprise more than one Block—two or even three. Nor is the Block the same unit everywhere. A normal Block is supposed to consist of: (i) 100 villages, (ii) population of 66,000, and (iii) a compact area (150 sq. miles). Where villages are populous, the population of a Block might very much exceed the norm of 66,000. Where density of population is low, the area of a Block may not be compact. A view was strongly held particularly in the former Bombay State, which favours neither the Block nor the Taluk but the district as the proper unit of administration between the Panchayat and the State.²⁸ It will be pertinent to note that the Indian District is very much bigger than the major local authorities in England which in turn are bigger than their counterparts in United States of America. The need for an intensive development work in several fields of activity would doubtless justify the choice in favour of a smaller unit. The choice therefore has to be made between a Block or a Taluk. No doubt Block has recently emerged as a unit of planning and development "but the Taluk has behind it the tradition of decades

27. Howard W. Beers & Douglas Ensminger, "The Development Block as a Social System?", *Indian Journal of Public Administration*, Vol. V, No. 2, pp. 134-152.

28. Indian Institute of Public Administration, *The Pattern of Rural Government—Report of a Seminar*, New Delhi, February, 1958.

of local self-government and revenue administration. In many cases, it is a natural geographical unit unlike the Block which has been carved out artificially. Where the Taluk and Block administrations have been welded—as in Mysore State—the choice of a Taluk as an intermediate local government unit is doubly justified.

The apex of the local government pyramid is at the District level. The Mehta Team recommended Zila Parishad at the District level as a co-ordinating body as distinguished from an executive body and all the three State Legislatures have followed suit.

ALLOCATION OF FUNCTIONS

There are two main ways by which allocation of functions to local bodies at various levels may be effected : (i) They may be permitted to do specific acts and these alone, or (ii) they may be empowered to do anything which is not expressly forbidden.²⁹ The principle of specific grant (principle of speciality) is adopted in England and that of grant of general powers in the Continent (e.g., France). This may lead one to believe that freedom of local authorities is broader in countries following the latter pattern. But, as elsewhere, here too “practice does not by any means always follow the theory”. If the ‘doctrine of speciality’ is adopted there arises the further question—how to demarcate the functions as between several local bodies? Here too, the principle of maximum decentralisation would be—“allocate as many functions as possible to the primary organisations and rather less to the next higher formation”.³⁰ One has also to bear in mind the general trend towards growing sphere of activities of public bodies both in the realm of welfare and development.

The principle of ‘speciality’ has been adopted by the statutes of all the three states and would probably be the pattern elsewhere in India. Though the Andhra Pradesh statute says that “the administration of the Block shall vest in the Panchayat Samiti”, it adds the condition that this is subject to the provisions of the Act. Both the Andhra and Rajasthan Acts lay down that every Panchayat Samiti shall exercise all the powers conferred upon and perform all the functions entrusted to, by or under the Act and such other powers and functions as may be conferred on or delegated or entrusted to it by the State Government for the purposes of the Act. Both Acts lay down that “in particular, Panchayat Samiti shall perform the functions specified in the schedule”. The Mysore Act embodies these in the body of the Act itself.

29. Percy Ashley, *Local & Central Government*, London, John Murry, 1906 pp. 8-10.

30. *The Pattern of Rural Government*, op. cit., p. 41.

The Andhra Act exhorts all Panchayat Samitis that "they shall endeavour to instil among the people a spirit of self-help and initiative and harness their enthusiasm for raising the standard of living". Whether this is a directive principle or a mandatory direction, one does not know! The Mysore Act makes the traditional distinction between obligatory and discretionary functions; the other two have departed from it leaving it to the local institutions themselves to decide which are obligatory functions and which are not. The Second Five Year Plan lays down the following pattern of functions of local bodies : (i) civic; (ii) developmental; (iii) land management; and (iv) land reforms. Barring the last, all other types of functions find a place in all the three statutes. Both the Andhra Pradesh and the Rajasthan Acts contain a formidable array of development functions of the Panchayat Samiti, classified under community development, agriculture and irrigation, animal husbandry, health and rural sanitation, education, social education, communication, co-operation, cottage industries, social welfare, women welfare, emergency relief, collection of statistics, trusts, forests, rural housing, publicity, small savings, folk culture and self-help programme. All these functions are couched in such general terms that one really wonders whether these do not cover the entire gamut of state functions themselves. Indeed, the State and Concurrent Lists in the Seventh Schedule of the Constitution seem to have been covered to a great extent.

It is clear that however generous be the allocation of finance to the local bodies, the satisfactory discharge of these functions would doubtless require the total commitment of State resources and personnel. The Mysore Act is couched in less ambitious terms. It also specifically mentions many of the traditional civic functions. What is more, it specifically confers many of the traditional regulatory powers on Panchayats—powers to turn, direct, discontinue or close a road, control unwieldy traffic, regulate trade, grant licences, to enter and inspect buildings, put filthy buildings in proper state, keep water supply sources in a clean state and regulate their use, abate nuisance from foul water, close places for the disposal of the dead, disinfect buildings, remove obstructions and encroachment on roads, etc. The absence of these regulatory powers in the Rajasthan and Andhra Acts seems to be deliberate. They probably want these local bodies to be predominantly extension and development agencies. But the civic functions are an inescapable part of the duties of local bodies and these powers will inevitably have to be conferred on the local bodies to enable them to discharge their functions. Apart from obligatory and discretionary functions, and the obligatory duties include supervision and control of block administration—, the Mysore Act has the category of

'assigned functions'—administration of roads and other properties vested in Government and construction, repair and maintenance of public buildings according to mutually agreed conditions.

The powers and functions of Panchayats in the Mysore Act are also on the same lines—with a distinction between obligatory and discretionary functions and a combination of civic and development functions. The last item in the list of discretionary functions, *viz.*, production and development of economic conditions with special reference to agriculture is sweepingly comprehensive in character. Construction and maintenance of roads, public wells and tanks, sanitation, veterinary relief, establishment of dispensaries, libraries, cottage industries, and development of economic conditions appear in the list of functions of both the bodies. As Arch Dotson says—"Both levels are allocated the same responsibilities".³¹ Division of functions between the two levels is not according to "characteristics of functions" or "capacities of the units concerned" but on jurisdictional basis. This overlapping of functions inevitably requires constant consultation of these two levels to avoid duplication and ensure co-ordination.

The Zila Parishad stands apart, as a co-ordinating, supervising and advisory body, examining budgets of Panchayat Samitis, consolidating their plans and programmes, and serving as a link between local bodies and the State. This is the uniform pattern in all the three statutes.

DEMOCRATIC COMPOSITION OF LOCAL INSTITUTIONS

That democratic decentralisation demands the local Government institutions to be elected is almost an axiom. Further, "among men who care for free democratic Government there is a general presumption that if the franchise is given substantially, the whole adult population and the electors can go freely to the polling stations and give their votes in secrecy without fear and that the votes will be counted fairly, then all will be well".³² This presumption is seen in the constitution of the basic local Government institutions, namely, the village Panchayats in all the three States. Under the Mysore Act, all panchayat members will be elected with reservation of seats for scheduled castes and women, the latter being not less than two. When, however, we turn to the composition of Panchayat Samiti, we get a different pattern. In the Mysore Act, the same principle of election is followed so that both at the level of Taluk or Block and at the level of the village, we get bodies independently elected. But the composition of Panchayat Samitis both in Rajasthan and in Andhra Pradesh is very different

31. *I.J.P.A.*, *op. cit.*

32. *R.M. Jackson, op. cit.*, p. 317.

indeed. There the Panchayat Samiti is constituted of Sarpanches of Panchayats. Besides, one 'Krishi Nipun' and two women and persons of scheduled castes and tribes, one person from the members of the managing committee and the co-operative societies and two persons with experience in public administration, public health or rural development who would be of benefit to the Panchayat Samiti are all co-opted on this body. M.L.A.s are associate members. The co-opted members are elected at a special meeting of the Panchayat Samiti. The Andhra Act in addition provides that the District Collector shall nominate persons in case the Panchayat is suspended or dissolved. It is obvious from these provisions that the Panchayat Samiti in these two Acts is hardly a fully elected body and one may have legitimate apprehension whether the Sarpanches will not function as mere delegates of their Panchayat areas than as representatives of the block as a whole. Such a system is calculated to blur the responsibility of the members towards the Panchayat Samiti as a whole. Besides, the system of co-option may give scope and temptations for uncalled for tensions, patronage or other kinds of questionable behaviour. The decisions arrived in such a Panchayat Samiti would reflect more a compromise between conflicting claims of several panchayat areas than an integrated view of the development of the block as a whole.

In all the Acts, the Chairman and Vice-Chairman of these two bodies are elected by the members of the body. The Zila Parishad, of course, being a mere advisory body consists of all the Chairmen (Pradhans) of Panchayat Samitis. In addition, M.L.A.s and M.P.s also are members of these bodies. Whereas in the Mysore Act, the Deputy Commissioner is the Chairman of this body; in Andhra and Rajasthan Acts, one of the Chairmen of the Taluk bodies who is elected by the Zila Parishad becomes the President of the Zila Parishad. The principle of co-option of M.L.A.s and M.P.s on these bodies has been attacked. It has been argued that the Central and State Legislators have neither a relevant status nor the particular interest to call for them for such a membership. The principle that nearer a representative is to the people who have chosen him, the more significant becomes his role as a democratic leader is flagrantly violated by suggesting that M.P.s and M.L.A.s should be ex-officio members of primary or district organisations.³³ The logic of this argument is unassailable. The co-option of M.L.A.s and M.P.s has however been provided on the ground that the presence of M.P.s and M.L.A.s would forge a link between the local bodies and the State Legislature and also place at the disposal of the local bodies their experience gained at higher levels of a democratic Government.

33. *The Pattern of Rural Government*, op. cit., p. 7.

DEMOCRATIC WORKING OF LOCAL INSTITUTIONS

Democratic decentralisation requires that the democratic elected bodies also function democratically. The functioning will not be democratic if the elected members have contractual or pecuniary interest in the business of local bodies. All the statutes of Andhra Pradesh, Mysore and Rajasthan lay down the obvious rule that transactions are conducted and decisions are taken by a majority of votes at regular meetings of these bodies, presided over by an elected Chairman, called by a notice of some clear period of time and attended by a quorum of members. The Rajasthan statute further provides that all gazetted district level officers of State Development Departments shall be entitled to attend the meetings of the Panchayat Samitis and participate in the deliberations of such meetings relating to the matters concerned with their Departments. Further, Panchayat Samitis have been given the power even to require the attendance of officers. The presence of officers will doubtless ensure the benefit of their knowledge to the deliberations of these bodies. The Mysore Act lays down that the Village Level Worker will be entitled to be present and participate but not vote in the meetings of the Panchayat.

Even more important than these provisions however is the fact that the committee system, in the working of the new popular bodies, is adopted in the legislation of all the States which we are considering. The committee system ensures a thorough and detailed discussion and examination of issues and that a concrete shape is given to them before they are brought before the whole body. It also lends opportunities to the members of these elected bodies to participate in executive administration. More important and significant from the point of Community Development, it provides the links between the statutory local body on the one hand and the voluntary organisations on the other. It is through the committee system that the informal groups and functional organisations and individual constructive workers who have a penchant for social work but who nevertheless shun elections, can participate in the functioning of these bodies. "It is the salient feature of English life that men and women are ever ready to give their service freely for public purpose and bind themselves into voluntary organisations and associations for objects which will be of advantage to the community in general."³⁴ It is these associate voluntary associations which according to the pluralists give democratic government a deeper significance and a working reality. In England men and women are co-opted "on account of their general ability or their

34. G. Montagu Harris, *op. cit.*, p. 409.

special knowledge or position.”³⁵ It is interesting to note that the committee system is not altogether a new innovation in India. Thus Dr. John Mathai in his standard work “Village Panchayats in British India” states: “The main effect we get out of the inscriptions is the existence of several small committees for local administration in the same village. The following is a list of 6 committees:

1. Annual committee
2. Garden committee
3. Tank committee
4. Gold committee
5. Committees of justice
6. Committee styled ‘Panchavara’.”³⁶

The Mysore Act makes it mandatory for every panchayat to have: (1) an Agricultural committee, (2) the Health committee, and (3) the Village Industries committee, and allows co-option of voluntary organisations like Farmers’ Clubs, Mahila Mandals, Yuvak Mandals and other similar bodies. It also leaves the panchayats free to have more committees to perform their functions. At the Taluk level it makes mandatory the following committees: (1) Standing committee, (2) Audit committee, and (3) Public Health committee, and also permits other committees to be constituted.

The Andhra Act makes mandatory a large number of standing committees of the Panchayat Samiti for : (1) agriculture, animal husbandry, minor irrigation power, reclamation including soil conservation, contour bunding and fisheries; (2) co-operation, small savings, cottage industries, rural housing, statistics, prohibition, temperance etc.; (3) education including social education, medical relief, health, sanitation including rural water supply; (4) communication; and (5) taxation and finance. Thus the committees cover the entire gamut of activities of the Panchayat Samiti. The Andhra Act also permits the constitution of more committees. It also permits the co-option by election of two members of each Samiti. It provides for the standing committees for Zila Parishads on : (1) planning, community development, etc., (2) food and agriculture, etc., (3) industries, etc. (4) education, health, etc., and (5) taxation and finance. It is, however, rather surprising that the Act provides that the Collector will be the chairman of all the standing committees. One should rather expect that in the legislation of somewhat radical character like this an

35. R.M. Jackson, *op. cit.*, p. 65.

36. John Mathai, *Village Government in British India*, p. 26. See also P.R. Dubhashi, “Panchayat Functional Committees”, *Kurukshetra*, January 1959, for full description of the system.

opportunity would be given to some of the members of the Zila Parishads to preside over some of these committees. The Rajasthan Act provides for the constitution of a sub-committee of the Zila Parishads for the performance of its functions if the Zila Parishad deems it necessary. It also provides that a Panchayat Samiti shall constitute standing committees for: (1) production programmes; (2) social service; and (3) finance and taxation and administration. There is also a provision for the appointment of additional standing committees. It also provides for the co-option of two members on these committees. The Andhra and Rajasthan Acts do not however specifically mention the type of voluntary organisations whose representatives might be co-opted on these bodies. The Mysore Act by so mentioning them gives them a legitimate status in the democratic working of the village community.

We may now deal with another aspect of the democratic functioning of these bodies, *i.e.*, the relationship of the officers and the elected members of the local bodies.

The democratic working of the local bodies depends on the actual participation of the elected members in the actual conduct of local administration. "In England the non-professional elected members conducted the local administrations with the aid and expert advice of a permanent professional staff; in French Department the officials administer subject to the supervision and financial control of elected representatives".³⁷ The officials are a real force in the administration of local bodies even in England but that is because of their knowledge and experience and not because of their legal position. The French Prefect on the other hand "is not so much the agent as the master of local governing authorities".³⁸ This is because though he is an executive officer of the 'department' considered as a self-governing corporation, he is "first and foremost the local agent of the Central Government and as such the head of practically the whole of national administration within his area."³⁹ He is in charge of multifarious duties. Prefects and Mayors who are responsible for executive work are agents of both Central and local authorities. The position of the Collector (Deputy Commissioner) is very similar to this position of the French Prefect. He as well as the Block Development Officer has the dual character of the Prefect. In India too as in France we have a very strong bureaucratic influence and tradition. The combination of executive and deliberative functions in elected local bodies is the pronounced feature of the English system; sharp distinction between the

37. Percy Ashley, *op. cit.*, pp. 13-14

38. *Ibid.*, p. 89.

39. *Ibid.*, p. 78,

two, that of France. To what extent have our legislators accepted the English principle of "subordination of the paid professional official to the unpaid elected amateur"?

The Andhra and Rajasthan Acts specifically lay down that the Block Development Officer and other officers and staff of Panchayat Samitis and the staff employed in the institutions and schools under the Panchayat Samitis shall be subordinate to the Panchayat Samiti. One of the powers of the Panchayat Samitis is to exercise control over the Block Development Officer. It must however be recognised that none of the officers on the block staff or the Village Level Workers can be hired or fired at will by the local bodies. The Rajasthan Act has constituted Panchayat Samitis and Zila Parishads Service which would consist of Village Level Workers, Gram Sevikas, primary school teachers, fieldmen, stockmen, vaccinators, etc. Appointment to this cadre is by direct recruitment by a selection commission, and it is from this cadre that the Panchayat Samiti can make its recruitment. The Rajasthan Act goes very far in enabling the Pradhan or Chairman of the Panchayat Samiti even to write the confidential report of the Block Development Officer (Vikas Adhikari). The Mysore Act does not contain these provisions but designates B.D.O. as the Chief Executive Officer of the Panchayat Samiti (Taluk Development Board).

AUTONOMY OF LOCAL INSTITUTIONS

How far is the principle of self-government supreme? Is 'sovereignty' really transferred to the local bodies, as is sometimes glibly asserted in some recent writings on democratic decentralisation?

How far are the local democratic bodies (local self-government institutions) autonomous in the discharge of the functions allocated to them? This indeed is the crucial issue with which the above analysis of democratic decentralisation may appropriately conclude. It may at once be made clear that both in the federal and in the unitary system of government, the local government institutions are not coordinate with the regional or general Government but are subordinate to them. "Local authorities cannot really be independent for that would make them states and take them outside the field of local government."⁴⁰ "In law, the local authorities are simply the creatures of the legislature, set up and destroyed by it at its pleasure."⁴¹ While this is true everywhere, the difference in provision of law on the one hand and the force of tradition of working of local communities on the other make a real difference to the nature and extent of limitations on the autonomy of

40. R.M. Jackson, *op. cit.*, p. 213.

41. Percy Ashley, *op. cit.*, p. 9.

the local institutions. There are on the one hand countries with traditions of democratic centralisation; there are, on the other, others with traditions of democratic decentralisation. In the former system typified by France "local governments consider that their task is to carry out within their localities the will of the Central Government". In one word they become mere delegates of the Central Government. In the latter system typified by England and Switzerland "local authorities regard themselves as carrying out the law according to the will of, and in the manner desired by, the inhabitants of their localities subject to the general supervision of the Central Government".

In Switzerland the canton's control over the commune is reduced to an irreducible minimum. The canton only sees to the conservation of communal property and supervises keeping of accounts. "The communes are empowered to act with complete independence within the limits of the constitution and law... In the matter of raising of revenue and objects of expenditure, the communes are entirely independent. The communal councils are entitled to appoint not only their own officials but also the State officials who act within their areas".⁴² Even in the system of the French type there might be decentralisation—but it is bureaucratic decentralisation—otherwise called "deconcentration". In the system of "deconcentration" the country is divided into administrative units in each of which there is an agent of the central authority with considerable delegation of power thereby lessening the pressure of work at headquarters. The system of administration built up by the Britishers in India might well be described as a system of deconcentration. The Collector was "the man at the spot" and was given quite an elbowroom of discretion. In such a system local self-government comes under the direction of bureaucracies.

While dealing with the allocation of powers mention was made of the two principles—principle of delegation of 'special powers' as distinguished from that of 'general powers'. The result of different methods of allocation of powers leads to different types of control over local bodies. The former results in control of the legislature over local bodies, because the latter have to go to it for fresh powers. The legislative enactments which give power to local bodies are classified as: (1) constituent Acts, (2) general Acts, (3) adoptive Acts, (4) private Acts, and (5) public local Acts. Also it leads to the control of the courts of justice because it is they who compel the local authorities to obey the law or discharge the duties laid down by law, which may be set in motion by the Government departments or private individuals. The latter method results in bureaucratic control because it is the

42. G. Mantagu Harris, *op. cit.*, p. 101.

administrative authorities who decide the "expediency" of the acts of local bodies—whether they are in the interest of the community.

Besides the legislative, and judicial control over local bodies, the English ministerial departments, *viz.*, the Home Office, the Local Government Board, the Board of Trade, the Board of Education and the Board of Agriculture, exercise the following types of powers under the general supervision of the Cabinet and ultimately of Parliament: (1) Sub-legislative powers: Departments are empowered by the legislature to issue orders and regulations for the detailed application and enforcement of enactments; (2) Powers as controlling authorities, *e.g.*, approval of bye-laws, loans, schemes, disposal of property, etc.; (3) Fiscal control through giving or withholding of grants; (4) Inspection and audit of accounts by officers of central Government; (5) General guidance or expert advice through advisory circulars; and (6) 'Provisional orders' for the use of 'adoptive Acts'. The control may be: (i) with respect to persons, *e.g.*, dissolution of body or dismissal of a member, or (ii) with respect to Acts—dissolution of an Act because it is *ultra vires*.

The blue-print worked out by the Mehta Team envisages controls of two types: (i) by the bigger local body over the affairs of the smaller body, and (ii) by Government or their outpost agents over the entire system of local government. The enactments of the three states reflect this dual control. It will also be seen from what follows that there are elements of both the central control and the deconcentrated control. Apart from this legal position it is also necessary to recognise the fact that independence of an institution is a function of its intrinsic strength and its spontaneous emergence. An institution which exists in its own right, is prior to any legislation and what the latter does is not to create it but to recognise it. This cannot be said of any of the local government institution in India. The Panchayats by and large were in a state of suspended animation, the Taluk Boards were abolished and the District Boards superseded and replaced by special officers. If, now, the local government legislations under the inspiration of the recommendations of the Mehta Team give local bodies a measure of autonomy and independence it is seen more as a gift than as a right.

We may now describe the provisions in the three Acts regarding the curtailment of autonomy of local institutions.

(A) CONTROL BY A BIGGER LOCAL BODY OVER SMALLER BODY

(1) *By Panchayat Samiti Over the Panchayat*

The Mehta Team had recommended that the budget of the village Panchayat will be subject to scrutiny and approval of Panchayat

Samiti, and the latter would also guide the village Panchayat. The Mysore Act vests the power of sanctioning the budget in the Chief Executive Officer of the Panchayat Samiti. He has also the powers to insert in the budget of the Panchayat necessary additional expenditure—what in France are “Inscription d’office”—to discharge its obligatory and discretionary duties. The Taluk Board also can transfer functions or maintenance of institutions or entrust work to Panchayat. The Board also can give loan or contribute sums to Panchayat fund which may give the Board an opportunity to place conditions on the working of Panchayats. Since many of the functions of the Board are also those of the village Panchayat and since the Board has generally the powers to do all acts to carry out its duties, there might be many occasions for the Board to instruct and guide the Panchayats from time to time. In particular it can supplement Panchayat works. Finally Taluk Board has been entrusted with the general supervision over the Panchayats. The Rajasthan Act allows for appeals by private persons aggrieved by the order or direction of the Panchayat to the Panchayat Samitis. It contains a blanket provision regarding supervision of the Panchayats by the Panchayat Samiti—“Directions issued by the Samiti shall be complied with by the Panchayats”. The Samiti also has to resolve disputes between Panchayats. The Andhra Act provides that Panchayat Samiti will bring about Community Development in association with the Panchayats.

(2) *Control by Zila Parishad Over Panchayat Samiti*

The Mysore Act provides that the very function of District Development Council is to scrutinise and approve the budget of Taluk Boards, to review their work, to guide and assist them and co-ordinate their activities. The Rajasthan Act contains more or less similar powers except for the fact that the Zila Parishad does not approve the budget but examines it and returns it with its observations which the Samiti has to consider. Both the Andhra and the Rajasthan Acts entrust distribution of funds allotted to the District to the Parishad.

(B) CONTROL BY THE OFFICERS OF THE STATE GOVERNMENT OVER THE LOCAL BODIES

The Mysore Act gives diverse powers to the Assistant Commissioner, State’s agent at Sub-Division level, Deputy Commissioner, its agent at the District level and the Divisional Commissioner, its agent at the Divisional level, to control the activities of the local body. Thus in case of any difficulty in constituting a Panchayat, the Deputy Commissioner can appoint an administrative committee or the administrator.

He can after enquiry remove any member of the Panchayat, or any Chairman or Vice-Chairman on grounds of misconduct, neglect or incapacity. An appeal on such order lies with the Commissioner. Appeals against the decisions of the Panchayat regarding grant of licences for trades, factories, hotels, etc. lies with the Assistant Commissioner. The permission of the Deputy Commissioner is required for the levy of fees on bus stands. An appeal against assessment of tax by Panchayats lies to the Commissioner. The Deputy Commissioner has the power to direct the Panchayat to increase its taxation in order to enable it to discharge its duties. The Deputy Commissioner has powers to recover the same (*i.e.*, Panchayat taxes). The Secretaries of Panchayats are appointed by the Commissioner. The Deputy Commissioner has to see that Panchayats take steps to remove the defects or irregularities pointed out in audit. He can disallow any wasteful items of expenditure and surcharge the same on a person responsible for the illegal payment. The Chief Executive Officer of the Taluk Board has to furnish the Commissioner and the Deputy Commissioner with copies of the resolution of the Board. Permission of the Deputy Commissioner is required before the Board can divert, discontinue or close a road. The Deputy Commissioner has to direct closure of places for the disposal of the dead. The Samiti's rules regarding levy of taxes on transfer of immovable property have to be approved by the Commissioner. The accounts of the Panchayat Samiti are also subjected to audit and the Commissioner can surcharge any person responsible for improper payments.

As regards the District Development Council, Deputy Commissioner himself is its *ex officio* Chairman.

The Commissioner, subject to control and orders of Government, is the chief controlling authority in respect of matters relating to the administration of the Act. Further, Government's powers can be delegated to the Commissioner, those of the Commissioner to the Deputy Commissioner and the Deputy Commissioner to the Assistant Commissioner and the Assistant Commissioner to the Tahsildar.

Powers of inspection vest in the Commissioner or the Deputy Commissioner or any other authorised officer. They may ask the Panchayat and the Board to take into account objections to any act or any information which requires doing of any act. The Deputy Commissioner can direct the reduction of establishment of the local bodies. He can suspend execution of orders by Panchayats or Boards. He may also provide for execution of work or performance of any duty in case of default. Finally the Commissioner can dissolve or supersede any of these bodies if they fail to perform their duties. The

Deputy Commissioner is to resolve disputes between Panchayats and local bodies within his district and the Commissioner between two districts. The Deputy Commissioner can enforce liability of members for waste, loss or misappropriation. The Commissioner has powers of revision.

The Rajasthan and Andhra Acts give much less powers to the officers of the State Government. In both the Acts the Collector is not the Chairman but merely a member of the Zila Parishad. It is the peculiar feature of the Andhra Act, however, that the Collector is the Chairman of every standing committee of the Zila Parishad. The Rajasthan Act gives powers to Collector to suspend in an emergency the resolution of the Panchayat. Powers of inspection are of course vested in him. But above all the Rajasthan Act gives the real power of the agent of the State Government to the Collector when it lays down that the Collector should watch and report to the State Government as to whether priorities fixed in the plans are being adhered to and the general pattern of work is in conformity with policies laid down by the State or Central Government. This indeed is a far cry from grass-root planning and is but a recognition of the all pervasive discipline which any planning worth the name inevitably imposes.

(C) CONTROL BY STATE GOVERNMENT OVER LOCAL BODIES

All the three Acts vest in Government the power to dissolve or supersede all the local bodies. This at least should set at rest any illusion regarding transfer of sovereignty to the local bodies. In the Mysore Act it is the State Government that decides the limits of Panchayat areas; it can alter the limit of the areas of Panchayats or Boards. Finally the rule-making powers vest in Government. It is the rules which condition the bye-laws or regulations of local bodies. The Andhra Act vests powers of review and revision in Government.

Even in normal working, Block funds as well as plan and non-plan funds of Departments, which will be allotted to the local bodies, will be earmarked for specific purposes and the activities of the local bodies will have to assume the character of schemes thought of by the State or Central Governments for which they allot their funds. Even with allocation of substantial portion of land revenue, the local bodies will have to draw up sustenance from the State funds for the satisfactory discharge of their multifarious duties.

The main point that arises out of the above analysis of the relationship of local bodies and State Governments is this—"How can

local autonomy be made consistent with needs of the Central authority?" Mr. Hobhouse's conclusion sums up the matter concisely:

"The control of the Central Department is necessary in really important matters of Finance, or principles of administration or where uniformity throughout the kingdom is essential or where the matters dealt with are in dispute between several local authorities. As an arbitrator, as a guardian of the public against corruption or gross irregularity or extravagance, the action of the central authority is not only useful but essential. But when it forsakes its proper sphere of general control and encumbers itself by constantly interfering with the details of local administration, it assumes functions which are not only unnecessary but in the long run injurious to public spirit and local freedom of the community."⁴³

The application of these principles, however, is determined by the circumstance in which they operate. Even in England, where the freedom of local bodies has always been considered precious, it has been observed—"looking at central-local relationship in a few years before 1939 war it is clear that there was a tendency for the centre to regard local authorities as being almost as local agents for carrying out the centre's policy"; and again "the conclusion about the formative period of our system of local government is that it was necessary that the central government should have had extensive powers of control and been quite ready and willing to use those powers. If it had not been for the exercise of steady pressure from the centre it is probable that many local authorities would not have taken steps, particularly in public health that were urgently necessary on national grounds as well as for the people of their areas."⁴⁴ These observations apply with even greater force to Indian conditions. Dealing with the concept of autonomy in the context of the need for plan administration, Paul Appleby, the American expert on public administration, incisively writes—"Autonomous State is a phrase in wide use... Yet their creation would destroy India as a nation. Phrases of such enormous implications should have no such casual usage. Similarly 'Decentralisation' seems to have become a holy word, predetermining important decisions. The meaning commonly attributed to the word seems to me to be erroneous appearing to connote an especially independent relationship, not a fully decentralised one involving a delegated but organically associated and controllable carrying out of central determinations. One Indian official has used especially potent language in shattering the usual notion that centralisation and decentralisation pose a true dichotomy. 'Complete decentralisation could be achieved...

43. G. Montagu Harris, *op. cit.*, p. 403.

44. R.M. Jackson, *op. cit.*, pp. 248-255.

only in association with complete centralisation.' This kind of thinking should be more widely spread."⁴⁵ Democratic decentralisation should connote neither 'autonomy' nor 'independence', much less 'sovereignty' of local bodies. These concepts are as untenable as the concept of 'Village Self-sufficiency' in the context of planned and rapid development required to quicken the "take off" of our economy.

CONCLUSION

Democracy it is said is not a form of Government but a way of life. This applies as well to 'Democratic Decentralisation' or 'Local Self-Government'. The so-called "transfer of power" to the people cannot be brought about over-night by passing local government legislation. It should be accompanied by a real change in social and production relationships. Vinoba touched the root of the problem when he observed:

"Land should be made the common property of the village. The village as a whole shall manage its affairs the way it likes and so shall it elect its gram panchayat. If things shape in this fashion, the decentralisation of power that we aim at shall be realised. Otherwise quarrels and conflicts will continue to plague the villages and caste distinctions which are about to die will return in a new form."⁴⁶

Today the village community is masked by inequality of holdings, wealth and power. A semi-urbanised landed gentry is holding the rein of power. Democratic decentralisation will then be only a handy instrument for perpetuation of their power unless there is a simultaneous pursuit of centrally initiated and directed measures which will give livelihood, literacy and independence of decision to those to whom they have been denied for a long time indeed.

45. Paul H. Appleby, *Public Administration in India, Report of a Survey*, p. 16.

46. Acharya Vinoba Bhave, "Gram Panchayat of My Conception", *Kurukshetra*, December 1959, p. 7.

EFFICIENCY IN THE PUBLIC SERVICE IN ISRAEL

J. Dotan

IN the last years efficiency and productivity have become familiar words to the newspaper reader. Similarly, they have appeared with growing frequency in reports on economic planning.

At first, productivity was taken to refer only to industry, but lately there has been a growing awareness of the need to apply efficiency methods to the public service.

Speakers from many a public forum have decried the squandering of public funds by maintaining overexpanded staffs in public organisations. Yet the proposed panacea is all too general : cutting down of essential services on the basis of a pre-established ratio. Such measures, however, fail to satisfy either the public or the professional body. On the other hand, efficiency experts, who have tried to overhaul the administrative machinery, often drew blanks.

In this article we shall try to pinpoint the specific problems of introducing efficiency in public administration which is on an altogether different plane from industrial efficiency. While both have much in common, they differ on many essentials. Just as a general practitioner would not dream of attempting heart surgery, so an industrial production engineer cannot tackle the problems of office management, nor should he be permitted to do so without first mastering its specific aspects. To be sure, production engineering is based upon clear-cut theories; its rules are applicable to widely different types of work. Still, too conservative a view may be the undoing of even the best of experts.

Efficiency in public service covers a much wider range and is of broader scope than efficiency in industry. While some elements are common to both, each groups divergent components. Thus in mechanical efficiency we strive towards a greater production potential of the machine (and the worker), towards a larger number of production units. In management no such norms are possible; neither are statistics an end in themselves. Streamlining administration does not mean cutting down the number of required processes. Rather the aim is to stimulate greater activity, to probe what a given unit should do to achieve its stated objective. While this does not always imply a wider range of activities, some branching out often becomes necessary. On the other hand, the reverse may apply. It may be found that some

unit is performing duties which do not fall within its province, or which are altogether superfluous. At all times the public aspect of the public service should be borne in mind. And this means that due consideration must be paid to economical use of public monies, to whether the public is getting the best possible service to which it is entitled. Maximum demands are therefore placed on the different public services.

Introduction of efficiency in public service administration comes up against manifold psychological factors encountered to a much lesser degree in industry, such as outmoded customs, human relations, questions of authority, composition of staff, and the like. To cope with each and all of them a wide knowledge of the techniques and problems of administration, psychology, methods of work, economics, social sciences, etc. is demanded of the expert in addition to production engineering, time-study, costing, norms and premia, follow-up control and similar subjects.

For a person to be an efficient public servant, he must not only be good at his profession but should also be versed in the problems of public service, be loyal to both the government and its institutions, and of the highest integrity and moral calibre. In short, he should have first and foremost the public interest at heart, and should not be caught up in the narrow confines and petty intrigues of any one clique.

The purposes of public service efficiency may be stated thus:

- (a) improving of work processes;
- (b) simplifying services and cutting down their cost;
- (c) serving the public with the maximum of speed and courtesy;
- (d) eliminating superfluous departments and stations;
- (e) co-ordination between different units and institutions;
- (f) eliminating duplication of work and overlapping of units.

For a variety of reasons the whole problem is even more acute in Israel. Employees hail from different countries, have different backgrounds, concepts, education and methods of work. In some instances, employees of 20 to 30 years' standing have not caught up with present-day developments. A person's abilities do not always determine his place of work; it is time and circumstances that have put him in his job. Moreover, the social element predominates to a much greater extent in Israel than in other countries. Authority is not always clearly defined, nor is the executive stage of projects and proposals.

One of the chief causes for this state of affairs lies in the hasty establishment of the State of Israel. Rules and customs dictated by time gave rise to particular ways of doing things and to ramified organisations (for example, the Rationing Authority in the Ministry of Commerce and Industry; the Immigrant Absorption Department of the Jewish Agency, and others).

While in an industrial enterprise fluctuations and norms are fairly easily established, it would be exceedingly difficult for an efficiency expert to gauge the "work pitch" or standard of morale, both of which play an important part in office management. It is a well-known fact that both pitch and productivity were much higher in the year 1948-49 than they are today, as we shall see later. It must be regretfully stated that both morale and psychology have greatly suffered in the intervening years. It should however be noted that the blame does not lie only with the personnel. Unlike in industry, in the civil service there is no machine to be fed and to direct the worker. Here effective and active management are required. To be honest, we must admit that the civil service has many more excellent public servants than its directing staff. And in the absence of suitable direction from the top, apathy, complacency, and a "could-not-care-less" attitude have become prevalent. We have become familiar with the problem of the "very-busy-directors" who are completely ignorant of what goes on in their departments and who have not taken the trouble to define clearly the authority and competence of those who come under their jurisdiction. In only a very few places is there any real devotion to the job. And what devotion there is, generally lies fallow. Any proposal to improve existing conditions is shelved, initiative is stifled, until in the end the person loses all confidence in his superior and comes to regard his work as nothing more than a bread-and-butter job. Office work, as any other work, is interesting in itself, provided the person is given the feeling that he is doing something worthwhile. Yet Government departments tend to scoff at technical services such as archives, typing, and secretarial duties. And it is on these, after all, that the proper functioning of any office rests.

An efficient public service means saving of public funds. And it makes little difference whether money is wasted at the top by undue use of office transport or at the bottom through careless and inept typing. Saving should be uniform throughout all echelons. Habits of waste, wherever they may originate, have a way of spreading like wildfire.

As stated earlier, any promotion of efficiency must take into account the human and psychological factors prevailing at the place

of work before any norms for either the employee or the administrative unit as a whole can be set.

Extremism tends to be one of our greater failings. This may also be observed in the field of efficiency. Until 1951 nothing at all had been done in this domain by the civil service and other public bodies. The departmental set-up was largely haphazard without previous planning or surveying of the effective needs. In many instances neither methods of work nor the number of employed corresponded to the actual duties to be performed. Improvisation seemed the rule. And even though in the course of 1951-52 a sudden awakening took place, the reversal was as extreme as had been the former apathy. Overnight, any director, departmental head, or clerk, set himself up as an "efficiency expert". Scores of foreign experts were asked to give their opinion, without intimate knowledge of the country, its people, language, psychology, and other outstanding contributing factors of infinitely greater importance than the immediate professional and technical aspects. Thus considerable money was wasted in invitations to experts from abroad and in holding of short-lived courses. Scores of reports and recommendations were drafted, only to be shelved unread.

It should be remembered that efficiency measures can be introduced only where there is a receptive atmosphere and the honest desire to improve. The efficiency expert himself must be above any petty interest. Unfortunately, conditions in Israel were not propitious for the implementation of the consultants' recommendations. A consultant was frequently told that what he proposed was to the point, his conclusions logical and in the best interests of the institution concerned, but... Unless this attitude changes, no tangible results will ever be attained.


Then there is the personal element. Directors of institutions, heads of departments, and others like them, while agreeing wholeheartedly to efficiency in principle, lack the moral stamina to carry it through. They will cooperate willingly in streamlining another's department, but will stop short at sacrificing any of their own conveniences. They will be loath to part with personal secretaries—whether needed or not—to curtail their use of office cars, to name but a few examples. And when a meeting is arranged for a certain day of the week in Jerusalem, it would not occur to anyone to arrange *joint* transportation for all those coming from out of town. Instead, each will use his own car and driver to take him up, thereby wasting time, effort, and above all, public money. The list could be prolonged at will.

Transportation is but one of the points on which no planning is ever expended. It is a common sight to find scores of private cars outside the branch offices of some public organisation, belonging to the professional men or higher officials when some joint means of transportation would have done equally well. The psychological effect of such sights on the public is obvious. And the lower echelons are quick to seize their advantage, for why should not they be allowed to do as the "higher-ups"? Top management lacks the moral courage to enquire whether some of the public transportation facilities, such as bus or train, might not do as well, or whether the trip as such was really necessary in the first place.

The same holds true of inter-urban telephone calls, and other "minor details" which in the long run take a considerable slice out of the taxpayer's money.

There is hardly a public organisation where the efficiency expert is not hustled by questions from the "smaller fry" as to why he is concentrating on them, when so much wastefulness is rampant among the higher ranks. Many is the tale of the director who takes his whole family for an outing on week-ends and holidays in the office car, sometimes complete with driver.

The above goes to illustrate what we meant when we said that efficiency and saving are not only a matter of theory and research, but above all call for a large dose of goodwill and honest endeavour on the part of all concerned.



THE POLICYMAKER, THE ADMINISTRATOR AND THE STATISTICIAN

Morris J. Solomon

THE statistician in India cannot help but feel like a thirsty man in an oasis. At every turn he finds challenging problems that lend themselves to statistical treatment. Not only are these problems challenging, but they are important both to India and to the world at large and yet the statistician is not making the contribution he should. The reason for this unattained potential is primarily the lack of a genuine partnership of the policymaker (including his subject-matter staff) and the statistician, or the administrator (including his subject-matter staff) and the statistician. Before such a partnership can be achieved, the policymaker and the administrator must gain some appreciation of what statistics can do for them. While some effort is required of the policymaker and the administrator, the statistician can hinder or facilitate such appreciation, depending on his approach. It is the purpose of this article to describe how the policymaker, the administrator and the statistician can team up to solve India's problems more effectively.

It should be understood that when referring to the policymaker what is meant is the policymaker and his subject-matter specialists rather than merely the policymaker alone. Similarly the administrator will often have a staff of specialists at his disposal.

From the outset, it should be recognized that, unlike many under-developed countries, India can easily afford a substantial statistical effort for two reasons. First, because of its size, with suitable employment of sampling techniques, the use of statistics need absorb relatively few resources due to the economy of sampling from a large population. Second, in India, thanks to the early and pioneering efforts of the Indian Statistical Institute, statistical talent and resources are relatively abundant.

Despite the small amount of resources that a well designed statistical programme will require, such a programme can play a crucial role in India's development. Its effect can be far-reaching provided it is used with intelligence. Statistics must be used as a tool for decision making, for checking and correcting past decisions and policing the implementation of plans. It can be an extremely important tool in various fields, such as food and agriculture, community development,

health, export and import, labour, education, investment, taxes, or power and irrigation. The policymaker, however, must give the statistician a mandate to operate so as to implement his (policymaker's) major objectives. The statistician in his turn must concentrate on the priority objectives of the policymaker rather than on peripheral matters or matters of purely professional interest.

USING STATISTICS TO REACH DECISIONS

Intelligent decisions require that objectives be determined in an operational form, that alternative ways of achieving objectives be delineated, that the relevant relationships be determined and action taken accordingly. Only by obtaining suitable data, is the policymaker in the position to make intelligent decisions. If the policymaker is to obtain suitable data he must be in intimate contact with the statistician.

A major concern of both the policymaker and the statistician has to be to improve their knowledge of "critical" relationships—those relationships which will make a large impact on results. Thus even while a given course of action is being followed it is important to be testing the basis for that particular course of action. Only by mutual consultation between the policymaker and the statistician is it possible to identify the critical factors and relationships. The policymaker needs the estimating capabilities of the statistician. The statistician needs the judgment, interest and authority of the policymaker. Otherwise he tends to waste his energies on measuring the inconsequential.

An example of a potentially powerful use of statistics is a survey which the Planning Commission is planning to make of unused capacity in industry. One of the chief bottlenecks to Indian development is the shortage of capital which can be used in production. An even more severe bottleneck is foreign exchange. To the extent that unused capacity can be put to work, the scarce resources of capital and foreign exchange can be made to yield a large amount of national income. It is known that among the factors which are responsible for unused capacity are the inability to get spare parts, lack of demand, difficulties anticipated in managing additional shifts, such as transport for workers, shortage of supervisors, eating facilities, shortage of raw materials. To take the necessary corrective action, one should know the extent to which each factor is responsible for unused capacity by industry. In addition, one would like to know how much increased product can be obtained from expansion of existing facilities as compared to creating entirely new facilities. A well designed survey can give the basis for deciding whether to license other producers, and

what action is needed to remove bottlenecks hampering present producers.

Despite much talk about dietary deficiencies, there has been little scientific determination of the extent of deficiencies in the Indian diet. All of the work that has been done is tabulated in terms of groups of foods with no determination of the nutritive content other than calories.¹ What is required is a determination of the per cent of families in various categories (income) who are consuming less than adequate amounts of specific nutritive elements, such as protein, calcium, phosphorous, and the various essential vitamins. Such a survey might reveal that the increasing use of refined sugars represents a serious nutritive threat and would call for effective measures to counter this effect. Certain types of enrichment might appear desirable. It is only if the extent and types of deficiencies are known that effective action can be designed and taken. Such studies have been periodically performed in the United States since 1936, and have formed the basis for the highly successful programme of enrichment of flour and bread with thiamine, niacin, riboflavin and iron.²

For the first time, the National Sample Survey will conduct a survey on family planning among urban families. Such surveys could provide important clues on how to achieve better family planning in India. These clues should be followed up by systematic statistical experiments to test alternative approaches to achieving better family planning.

Fertilizer is in critically short supply in India. While there is considerable amount of results obtained from experimental plots on the effect of fertilizer on yields, little is known of the actual effect of alternative ways of distributing fertilizer. Suitable experiments could tell the policymaker the net increase in yield that can be expected under alternative conditions of distribution (irrigation, credit, intensive extension work, etc.).

There are generally alternative ways and intensities of effort that the Government of India can apply to its various programmes, whether it is community development, extension work or family planning. By designing suitable experiments the statistician can determine what effect can be expected from different methods and intensities.

1. See "Note on the Results of Diet Surveys in India, Burma and Ceylon," W.R. Aykroyd, Indian Research Fund Association; also "The Nutritive Value of Indian Foods and Planning of Satisfactory Diets," W.R. Aykroyd, V.N. Patwardhan and S. Ranganathan, Health Bulletin No. 23, Fifth Edition, 1956, Government of India Press.

2. See "Dietary Levels of Households in the United States", Household Food Consumption Survey, 1955, Report No. 6, U.S. Department of Agriculture, Washington, D.C.

A factor which favours the use of experimental design methods and sampling in India is its size. In agriculture there are some 560,000 villages and many millions of individual cultivators. Answers to important questions require that you estimate values that pertain to various members of a population. Sampling has this very important property. If your population is 100,000 it will take almost as large a sample to get a suitable answer as if the population were 100,000,000. Thus to get an answer in Ghana would take almost as large a sample as India (or perhaps, because of less diversity, half). India can get an answer to an important question for less than twice the cost, even though its population is 80 times that of Ghana.

The modern theory of design of experiments makes it possible to "try" in a systematic way alternative programmes in a highly economic manner. The answers obtained from suitable small scale experiments can furnish a reliable basis for large scale action. For example, there is reason to believe that owner-occupied land under "suitable" conditions would yield substantially greater production than tenant-occupied land. It would be quite feasible and economical to design an experiment which would give adequate estimates of the differences one could expect under a variety of circumstances. Such an experiment could provide a sound basis for policy on land tenure. The same can be said for most of the major policy questions facing Indian policymaker on agriculture.

In many instances what the policymaker needs is an easily reproducible pattern of operation that will accomplish his objectives. Where the pattern is workable on a small scale and consists of a large number of variables, the design of experiments enables the policymaker to design a pattern which he can depend on in the future, by systematically varying the intensity of factors and patterns, and providing for sufficient replication. It has been used extensively in Indian agriculture primarily to determine physical relationships. While one can always extend one's knowledge of physical relationships, knowledge of physical relationships can hardly be regarded as the limiting factor in Indian agriculture. It is not uncommon for the lowest yields in the world being realized on land which is a stone's throw from experimental farms. The most promising way of increasing agricultural production in India is to find workable and reproducible social patterns that makes use of existing technological knowledge. The critical variables are likely to involve incentives, traditions and techniques of transmitting existing knowledge. The use of design of experiments is relatively new but is quite practical in a country such as India. The design of experiments is most efficient where the subject-matter specialists, the policymaker and the statistician work in close collaboration.

USING STATISTICS TO CHECK PAST DECISIONS AND MAKE CORRECTIONS

An initial programme is bound to be defective in some respects. In many fields it has been found that by continuously comparing actual achievement and desired achievement, it is possible to make adjustments which make it possible to come closer to the desired achievement over time. This is the idea of "feedback". In small private enterprises "feedback" is provided by losses and gains. In larger organizations, unless special provision is made for constant feedback, defects will tend to persist. To achieve such feedback, provisions for measurement must be made a part of the programme. Without special measures designed to facilitate measurement of the effect of important variables, results are seldom in a form which permit firm conclusions. For example, no statistician can in good conscience estimate the effect of Community Development on the income of communities. The reason is that no provision was made for obtaining such estimates when the Community Development Programme was designed.

The Community Development and Cooperation effort was scheduled to spend 210 crores of rupees during the Second Plan and is expected to cost 400 crores in the Third Plan.³ It is the height of economy to determine by the use of experimental design the relationships of inputs to outputs. Otherwise one can go on getting little return from outlay indefinitely.

It is important that provision for measurement be made a part of the programme from the very beginning. This is absolutely essential for several reasons. First, in many cases effective measurement requires benchmark measurements which can only be made in the very beginning. Secondly, if a sample is being used for measurement, the selection of the sample must be controlled. Thirdly, provision for measurement from the very beginning prevents the building up of a vested interest in avoidance of measurement. The longer a programme continues without measurement, the more likely it is that those responsible for the programme will prefer not to have effective measurement. At the same time an effective measurement becomes more difficult.

Any rational formulation of a programme, such as Community Development, requires the determination of the input required to elicit an output. The ratio of input to output is a measure of the success of the programme. Unless the measurements of both inputs and outputs are made part of the programme from the very beginning and such

3. Third Five Year Plan, A Draft Outline, Government of India, Planning Commission, 1960, p. 37.

measurements are made continuously there is no basis for modifying the programme until much resources have been spent and even then it is difficult to determine how the programme should be modified.

POLICING OF IMPLEMENTATION OF PLANS

No matter how good a programme is, it will fail if it is not implemented properly. The skilful use of progress reports and other statistical reports can assure the proper implementation of a plan.

The critically important area of dam construction could profit from the type of feedback provided by a well designed progress reporting system. According to TCM construction experts, in planning earthmoving by machine in India, one has to allow for about twice as much equipment as in the United States. Among the factors that are responsible for this requirement is level of maintenance, scheduling of equipment, and availability of spares. An equipment utilization report that spotlights the difficulties project by project can help bring suitable remedial action. Such a report must be well designed, tabulated in a meaningful way and used as a basis for action. To assure correct reporting one would have to make use of sampling techniques to check on reports. In addition to an equipment utilization report there is a need for a work accomplishment report. At present such reports exist, but are poorly designed and hardly used by the administrator.

In the absence of sound measurement efforts there is a tendency for faulty measurement to fill the vacuum. For example, some time ago there was a claim advanced concerning the reduction of illiteracy in India which was clearly based on faulty data. If literacy is an important goal, then a periodic estimate of literacy should be made on a routine basis. Typical conditions of a rural undeveloped country are that a large percentage of children going to school attend school for five years or less and the regularity and the quality of teaching and curriculum varies considerably. Under such conditions one usually finds that the children who have attended school vary considerably in their ability to read and write, the final outcome depending on the aptitude and interest of the child, actual attendance and quality of instruction. In general, one would expect retention of ability to read and write over the years would decrease with lower material levels of living. To what extent does the policymaker get a measure of literacy that he can act on when he depends on a decennial census which asks concerning each member of the family whether they can read and whether they can sign their name. The results are of a gross nature and

reflect the biases of respondents.⁴ Even if the estimate was meaningful, the interval of ten years would be too long. Under the Third Plan, it is contemplated that expenditures on general education will amount to 180 crores.⁵ Surely expenditures of that order require a better and more frequent audit.

How can the statistician enable the Minister of Education to get a better estimate of the status and progress of literacy from period to period? First, the administrative unit can be chosen for which one wants results. Second, one can define three or four levels of literacy and design a short oral test which would reveal the level of literacy of the person taking the test. The statistician would draw a sample of persons from the administrative unit. Based on the results of the test, one could estimate within some level of precision, the percent of literacy, by meaningful categories for the administrative unit. Thus the progress made in each State could be measured, say every five years. In addition, it should be possible to determine the extent to which there is retention of literacy. It is very likely that, under conditions of extreme poverty, critical levels of literacy decline through disuse.

INDIA'S URGENT PROBLEM—A WORLD OPPORTUNITY

Of all places in the world, India is the most likely place to use statistics to solve urgent social problems. First, India is large enough to make statistical experiments very economical. Second, India's problems are urgent—making it particularly important that the best decisions be made and implemented. Third, India has the statistical resources, namely, outstanding theoretical statisticians and practical data processing facilities. It is noteworthy that as far back as 1936 Professor P.C. Mahalanobis submitted a memorandum to Sir James Grigg, Finance Member of India, proposing that statistical surveys be used to help in the planning and assessing the progress of community welfare projects.⁶

The chief bottleneck is the lack of communication and understanding between the policymakers and administrators on one hand and the statistician on the other. Such a lack is a luxury that India can hardly afford.

The process of communication can be effective only if all those concerned adapt themselves to their proper role. The policymaker and

4. See "Accuracy of Literacy Statistics in Iran" by Charles Windle, *Journal of American Statistical Association*, September 1959, pp. 578-581.

5. *Ibid.*, p. 98.

6. *A Note on Controlled Experiments in Village Welfare Work* by P.C. Mahalanobis (Mimeographed).

administrator, along with their subject-matter specialists, must get some idea of how statistics can help them. They must honestly be willing to base actions on contingent events—as determined by statistical measurements after allowing for so-called intangible considerations that defy adequate quantification. They must talk freely with the statistician and learn to look at the flaws of suggested statistical measurements—to the initial discomfort of the statistician. The statistician must become genuinely interested in the policymaker's problems, learning all he can from the policymaker and devise measurements which will act as suitable guides to action. He must be patient and honest in his explanations of the limitations and advantages of the methods he proposes. He must be alert to recognizing situations where the judgment of the policymaker should be supplemented with statistical measurements and vice-versa. Above all, he must resist the temptation to stabilize his efforts at the sacrifice of the usefulness of his results.



CORRESPONDENCE

THE QUALITIES OF A CIVIL SERVANT

The Editor,
I.J.P.A.

Sir,

It will interest your readers to know what an able and experienced civil servant—Sir Bartle Frere—thought on the question of moral *versus* intellectual qualities of a civil servant a century ago. These words, which related to the test of civil servants in the matter of recruitment just after the Mutiny, may well apply to an Indian civil servant in the India of today which has undertaken an enormous task of development. The advice is worthy of consideration by the Public Service Commissions, National Academy of Administration and educational institutions in India.

Writing to Lord Goderich on June 15, 1858, Sir Bartle said as follows:

"I think we have made a great mistake in making intellectual power the sole passport to the Civil Service. Our superiority over the natives is

less intellectual than moral, and your best Indian rulers, like your best public men everywhere, are not always those who would send in the best papers at an examination for a degree. Of course the higher the intellect and the better the education, the more useful the public servant, if he has the necessary moral qualities also. But what you want in India is a high-spirited, kind-hearted, active-minded, modest, conscientious English youth. And it is really of more moment to the natives that he should be good in the cricket-field and on horseback, popular with servants and the poor, and the champion of bullied fags; that he should have a mother who taught him to say his prayers, and sisters who helped her to give him love and reverence for womenkind and respect for weakness, than that he should be fit to take a double-first at Oxford."

Yours faithfully,
AMBA PRASAD

Delhi,
Sept. 17, 1960.

II

THE PANCHAYAT SAMITI

The Editor,
I.J.P.A.

Sir,

The recommendations of the Balwantray Mehta Team (on Community Projects and National Extension Service) have been followed by legislations in various States providing for basic changes in the sub-structure of the Indian administration. There

is emerging, as a result, a new pattern of local administration. Apart from the village Panchayats, which form the base of the new arrangement, new democratic institutions at the block and district levels are now coming into being.

But while the new institutions coming up have broadly a similar organisational pattern throughout

the country, their nomenclature suffers from ambiguity and lack of uniformity. To refer to only one example, the body created at the block level is called variously as the 'Panchayat Samiti',¹ the 'Kshettra Samiti',² or the 'Taluk Development Board'.³ Though they all have broadly accepted the scheme proposed in the Mehta Report, the different States have not adopted the same terminology. As a matter of fact, the terminology suggested in this connection by the Mehta Team Report itself is not satisfactory. The Report recommended that the popular body to be created at the Block level be called 'Panchayat Samiti'. But, perhaps, the Team overlooked the etymological implications of this term.

The word 'Samiti' is equivalent to English word 'Committee'.⁴ It refers, generally, to a body which is the creature of some higher body to which it is subordinate and on behalf of which it performs some given functions.⁵ Evidently, the word Samiti or Committee is not indicative of a body having original powers and possessing authority over the body or institution from whom it derives its own name. For example, a parliamentary committee, or a cabinet committee, can never be supposed to be a body having authority above Parliament or cabinet, respectively. On the other hand, the 'Panchayat Samiti' is definitely a body having authority to co-ordinate and direct the activities of the Panchayats below it. True, the Panchayat Samiti is composed

largely of the chief executives of the Panchayats. But this, by no means, is enough a ground to name it as 'Panchayat Samiti'. On any showing, the Panchayat Samiti is not merely a Committee of the Panchayats; it is, on the contrary, a body purported, broadly, to supervise, direct and co-ordinate the activities of the Panchayats within its jurisdiction.

What is more, while the popular body created at the Block level is given the epithet 'Samiti', the popular body created at the District level is called "(Zila) Parishad". There seems to be obviously no basis for this difference in the title of these two bodies. For, both of them betray a close resemblance in their structural pattern : Both of them are composed of indirectly elected representatives and, broadly, similar coopted elements. There seems, therefore, to be no reason why one should be called Samiti, while the other is called Parishad. In fact, it would be far more appropriate if, like the Zila Parishad, the popular body at the Block level is also given the name 'Parishad', prefixed by the jurisdictional title.

Another defect in this connection, as indicated earlier, is the multiplicity of terminology. Needless to say, such a multiplicity would give rise to serious difficulties in the study of local administration. Besides, it would remain a source of confusion at seminars and discussions at the inter-state or national level. In a vast country such as ours, it is always to

1. As in Rajasthan and Andhra Pradesh. However, the word 'Samiti' is spelled as 'Samithi' in the Andhra Pradesh Panchayat Samithi and Zilla Parishad Act.

2. As in the U.P. Kshettra Samiti and Zila Parishad Bill, vide *Hindustan Times*, September 15, 1960.

3. As in Mysore.

4. Vide : *Comprehensive English-Hindi Dictionary* by Dr. Raghuvira, International Academy of Indian Culture, Nagpur, 1955. Also see : *Glossary of Parliamentary Legal and Administrative Terms*, Lok Sabha, India, 1957.

5. A Committee is "a body of persons appointed or elected to consider, investigate, or to take action upon, and usually to report concerning, some matter or business, as by a court, legislative body, or a number of persons". (*Websters New International Dictionary*)

be kept in mind that the difficulties created by the variety of detail should not be further augmented by avoidable multiplicity of general terminology.

To conclude, I would suggest :
 (1) The term 'Panchayat Samiti' should be abandoned; and (2) in its place, the name 'Kshettra Parishad' or 'Anchal Parishad', whatever may be commonly agreed upon, be

adopted in all States where the scheme of democratic decentralisation (or Panchayati Raj as the Prime Minister prefers to call it)⁶ has been, or is going to be, launched.

Yours faithfully,
 RAM CHANDRA PRASAD

New Delhi,
 Sept. 20, 1960.

6. While addressing the Sixth Annual Conference of the Indian Institute of Public Administration, the Prime Minister referred to the "most unmusical words: 'democratic decentralisation' " and said that the term 'Panchayati Raj' sounded much better.

RECENT DEVELOPMENTS IN PUBLIC ADMINISTRATION

(I) INDIA

The Lok Sabha (House of the People) discussed the Essential Services Maintenance Ordinance and the Central Government employees' strike of July 12-17 on August 8 and 9 and approved the Government's action thereon. During the debate, the Union Home Minister, *Shri G.B. Pant*, announcing the new policy of the Government of India in the matter of the right of Government servants to strike, declared: "We have now to devise means so that there may be no strike. Strikes are going to be banned in public services; and neither the Railways nor Posts and Telegraphs can indulge in such a sort of suicidal and dreadful upheaval. But we will have a sort of different industrial code for them, so that they may have their unions, but the unions should consist of the services themselves. Also, we propose that there should be some definite machinery in all branches of the services for conciliation, negotiation, settlement, and where necessary, reference to arbitration, so that things may proceed harmoniously and justice may be done to all."

* * *

The Government of India has accepted the recommendation of the second Pay Commission and issued orders that officers in the Government of India should no longer use the abbreviated form of the name of their service in official correspondence, orders, etc. The practice of using appellations like I.C.S., I.F.S., I.A.S., and I.P.S., after the name of an officer will be discontinued. However, the name of the service to which an officer belongs may be mentioned after his name where it serves some

recognised public purpose *e.g.*, in gazette notifications for the requirements of audit. The Pay Commission had recommended that "The office which a Government servant holds is of interest to the community; but the service to which he belongs is not. Its habitual mention can only serve as a useless—and to some an irritating—reminder that a particular Government servant belongs to a particular superior service".

The Union Public Service Commission has decided to accept a pass in the annual promotion examination held at the end of the penultimate year of the Higher Secondary Course in a recognised higher secondary school as an alternative to matriculation examination for admission to the Commission's examinations.

The State Government of Assam has decided to enlarge the cadre of the Assam Civil Service (Class II) to include posts of Block Development Officers.

The Punjab Government has decided to establish a State Subordinate Accounts Service, which will be under the administrative control of the State Finance Department. The Government has also decided to revive throughout the State the institution of honorary magistrates.

* * *

The Advisory Board on Training, established by the Government of India in August last, has decided to set up three sub-committees to deal with courses held at the Central Institute of Study and Research in Community Development at Mussorie and the training programme

above the district level up to the level of the Institute, and to advise the Union Ministry of Community Development and Co-operation on the study and orientation programmes being organised at and below the district level.

The Union Ministry of Community Development and Co-operation has sponsored a scheme under which one hundred centres will be started during the current year to impart institutional training to about 1,50,000 panchayat secretaries. Each centre will conduct four courses, each of three months' duration for 50 trainees.

The Government of Assam has compiled a Handbook on Training Facilities in Assam. It contains information about training given currently in the university, in institutions under the State Government and private institutions and about training courses which lead to entry into specific occupations.

* * *

The Government of Madhya Pradesh has accepted, among others, the following recommendations of its Pay Committee constituted in October 1959: (1) The minimum total emoluments of a class IV Government servant should be Rs. 65 p.m. made up of a basic pay of Rs. 55 and dearness allowance of Rs. 10; and of a class III ministerial servant, Rs. 100 p.m. made up of a basic pay of Rs. 90 and dearness allowance of Rs. 10, as against their existing total emoluments in the unified scales of Rs. 56 and 93, respectively; (2) the revised rates of monthly dearness allowance will be: Rs. 10 up to a pay of Rs. 150 p.m.; Rs. 15 for pay between Rs. 151 and 300; and Rs. 20 for pay between Rs. 301 and 480 with marginal adjustments up to Rs. 500 p.m.; (3) direct recruitment to clerical posts in the upper division grade II and the upper

division grade I in the Secretariat to be limited to 10% and 25% of the vacancies, respectively; (4) removal of existing disparities in the leave entitlements of class III and class IV employees. The Government has also fixed uniform office hours for all offices, except the civil and criminal courts and also decided upon the number of holidays and casual leave more or less in line with the revised practice in the Government of India. The State Government has not, however, accepted the recommendations of the Committee to increase the age of retirement from 55 to 56 in respect of class I, II and III civil servants and to reduce it from 60 to 58 in the case of class IV employees; it has also not accepted the recommendation that extension in service beyond the age of superannuation should be granted liberally.

The Railway Board has issued orders, accepting the Pay Commission's recommendations, on the revised pay scales of bulk of the 1,200,000 employees on its pay rolls. The new railway scales will take effect from July 1, 1959, and the arrears amounting to approximately Rs. 11 crores up to July 1960 will be paid wholly in cash. The earlier decision that the arrears for July-November 1959 would be credited to provident fund has been modified. As a general rule, no employee drawing Rs. 1,100 or over will receive any monetary benefit. The existing senior class I scale of Rs. 600-1,150 has been revised to Rs. 700-1,250; the junior scale class I of Rs. 350-850 to Rs. 400-950 and class II gazetted of Rs. 275-800 to Rs. 350-900. The bulk of the existing dearness allowance in the case of those whose revised salaries are below Rs. 300, and the whole of it in the case of all others, has been merged into pay in the authorised scales. Separate dearness allowance will continue to be

paid only to employees whose revised pay is below Rs. 300—Rs. 10 to employees drawing below Rs. 150 and Rs. 20 to employees with salaries of Rs. 150 and above but below Rs. 300, with marginal adjustments for employees drawing Rs. 320. Other important decisions announced by the Railway Board relate to retirement benefits, compensatory and house rent allowances, etc.

The Government of India has decided to extend from this year leave travel concessions admissible to the Central Government employees to the industrial and work-charged staff entitled to regular leave.

In pursuance of a suggestion made by the Pay Commission, the Government of India has set up a 7-member Committee to review the existing welfare arrangements for the Government employees and make recommendations for improvement. The Committee will also study the welfare arrangements in some of the concerns in the private sector and consult the representatives of the employees before submitting its report.

The Madhya Pradesh Government has formulated principles which will determine the seniority of direct recruits and promotees in State Services.

* * *

Important developments in the field of O & M include the re-grouping of certain Departments and setting up of a Directorate of Languages in Administration in Maharashtra; re-organisation of Appointments Department and the Expenditure Branch of the Finance Department and improved procedure for disposal of work in Rajasthan; and the constitution of a statutory Khadi and Village Industries Board in U.P.

* * *

The Bihar Government Servants (Recognition of Service Associations) Rules, 1960, lay down, among others,

the following conditions which must be satisfied by a Service Association before the grant of recognition: it is formed primarily with the object of promoting the common service interests of its members; membership is restricted to a distinct category of government servants having common interests, all such Government servants being eligible for membership of the Service Association; no person, who is not a Government servant, is connected with its affairs; the executive of the Service Association is appointed from amongst the members only; and the funds consist exclusively of subscriptions from members and grants, if any, made by the Government, and are applied only for the furtherance of the objects of the Service Association. The Rules further prohibit the Service Association from engaging in certain specified activities, including amalgamating, uniting or affiliating, itself with any other body, without obtaining previous permission of the Government.

The Central Government has accepted the recommendations of the Direct Taxes Administration Enquiry Committee (appointed in June 1958 under the chairmanship of Shri Mahavir Tyagi, M.P.) relating to : a simplified procedure for collection of tax from small assesseees; retention of the Income-tax Appellate Tribunal and withdrawal of exemption of income-tax from certain types of charitable trusts; re-organisation of the survey work; a regular and systematic exchange of useful information between the various departments; laying down of the Annual Administrative Report on the table of Parliament; increase in the sanctioned strength of Inspectors by 250; no direct recruitment to the cadre of Class II Income-tax Officers; undue importance not to be attached to anonymous and pseudonymous complaints; quick remedial action for all complaints of inconvenience

in the tax offices and provision of adequate and proper amenities; greater attention to be paid to organised departmental publicity; a whole-time Public Relations Officer to be appointed for each charge of Commissioner of Income-tax; and a Direct Taxes Central Advisory Committee to be set up for the Headquarters organisation under the chairmanship of the Union Minister for Revenue and Civil Expenditure to advise the Administration on measures for developing and encouraging mutual understanding and co-operation between tax-payers and the Department.

* * *

Under the chairmanship of *Prof. P. C. Mahalanobis*, Honorary Statistical Adviser to the Government of India, the Planning Commission has constituted a 9-member expert committee to review changes in levels of living during the First and the Second Five Year Plans; to study recent trends in the distribution of income and wealth; and, in particular, to ascertain the extent to which the operation of the economic system has resulted in concentration of wealth and means of production.

The National Development Council, at its meeting held in New Delhi on September 12-13, considered the different aspects of the problem of securing even economic growth in different parts of the country and emphasised the importance of effective implementation of development programmes and the need to build up industries in rural areas and to provide more fully for village and small industries, rural electrification, irrigation and education and health services. It also considered the place to be assigned to industries in the public sector in the plans of States.

The National Advisory Committee on Public Co-operation of the Planning Commission has recommended the appointment of a

committee to examine the content of public co-operation to indicate the constituents of the core of public co-operation training. The Indian Institute of Public Administration will advise and assist in the work of the committee. Other important recommendations of the National Committee are: (1) appointment of a study team to survey and collect information about existing programmes of training of paid and voluntary workers of leading all-India voluntary organizations, and also about their activities and resources with a view to associating them in the implementation of Plan programmes; (2) establishment of research projects by specialised institutions or universities on subjects relating to public co-operation; (3) promotion of public co-operation and administration, study and evaluation through recognised agencies, of specific programmes of individual Ministries and State Governments; (4) preparation of an all-India directory, by the Centre, and of State directories, on the activities of various voluntary organizations; (5) appointment of a study team to draw up an integrated programme of urban community development; and (6) starting of pilot projects to demonstrate the potential of public co-operation in the Plan programmes.

The State Governments of Maharashtra and Gujarat have each constituted a committee to examine the question of democratic decentralisation and make recommendations.

The report of the Evaluation Committee on Community Development programme in Madhya Pradesh has revealed that agriculture production in the State has, on the whole, increased as a result of the block development programme and the economic condition of the farmers has improved. The efforts, however, made so far seem to be haphazard, without any definite method conducive to a systematic growth of the

programme. The Committee has drawn attention to too frequent transfers of developmental personnel in the State, and the unsuitability of traditional civil service outlook of block development officers for development work. The Committee finds that the quality of Gram Sewaks so far recruited is not satisfactory. It is necessary to prescribe a certain code of conduct for Gram Sewaks

and also to prescribe some manual labour for them every day. While the community development programme has to some extent succeeded in utilising local initiative and enlisting public co-operation and people's participation, panchayats have not been successfully drawn into the picture and there is a need to re-organise the panchayat system in the whole State.

(II) ABROAD

The Sudanese Government has established an Institute of Public Administration, "independent" but "annexed to the Ministry of Finance and Economics", with *Mr. Eric G. James*, a U.N. Adviser (from Brooklyn College, U.S.A.) as its first director. The Institute will provide for in-service training, government consultation, and research.

The Government of Malta has appointed a 4-member Public Service Commission under the chairmanship of *Mr. Leslie Harold*, as provided for in the Constitution. The other three members of the Commission are Maltese.

In the United Kingdom, the Government has accepted the recommendations of the Standing Advisory Committee on the Pay of the Higher Civil Service for increase for those in the salary range of £2,000-£3,800. Details of the increases, recommended by the Committee and accepted by the Government, for the administrative and executive classes, are as follows:

	Present Rate (London) £	Rate Re- commended (London) £
Under		
Secretary	3,800	4,100
Assistant Secretary	2,400-3,000	2,700-3,400

Top Execu- tive Posts	3,800	4,100
	3,300	3,700
	3,000	3,400
Principal Executive Officer	2,700	3,050
Senior Chief Executive Officer	2,070-2,400	2,350-2,700

In the United States, a "20-point programme" for improving the personnel system of the New York State has been formulated by *Mr. H. Eliot Kaptan* President of the New York State Civil Service Commission. The programme provides for: extension of the career service to embrace substantially all but political policy-determining posts; an administrative corps of "generalists" for responsible positions; flexibility in transfers including transfers between state and local services; expanded training and development; broadened opportunities for promotion; extra salary increments for outstanding employees; greater participation of operating departments in recruitment and evaluation of candidates for promotion; and co-operation of federal, state and local personnel agencies in recruitment.



INSTITUTE NEWS

Shri Jawaharlal Nehru, Prime Minister of India, was unanimously re-elected President of the Institute for the year 1960-61 at the Sixth Annual Meeting of the General Body of the Institute held on August 27 in the Institute's new Assembly Hall.

Announcing the results of the I.I.P.A. Essay Competition, 1959, the President awarded a second prize of Rs. 500 each to (1) *Shri P.R. Dubhashi*, I.A.S., Director of Youth, and Deputy Development Commissioner, Planning and Development Department, Government of Mysore, for his essay on "The Implications and Scope of Democratic Decentralisation : A Comparative Study"; and (2) *Shri R.K. Jain*, Lecturer in Commerce, G. S. College for Commerce and Economics, Nagpur, for his essay on "Problem of Capital Formation in State Enterprises in India". The first prize was not awarded.

The Annual Meeting was followed by the Members' Fourth Annual Conference held on August 28 in two sessions. The morning session, held under the chairmanship of *Shri V. T. Krishnamachari*, Deputy Chairman, Planning Commission, was devoted to the discussion of "The Administrative Implications of the Third Plan"; and the evening session to "Education and Training for the Public Services", with *Prof. D. G. Karve*, Vice-Chancellor, Poona University, as Chairman.

The Executive Council, at its thirty-eighth meeting held on August 28, re-elected *Shri V.T. Krishnamachari* as its Chairman for 1960-61. *Shri Gurmukh Nihal Singh* was re-elected Vice-President of the Institute for a period of two years. The Council re-appointed *Shri L.P. Singh*,

as Editor, and *Prof. D.G. Karve*, *Prof. S.V. Kogekar* and *Prof. V.K.N. Menon* as members of the Editorial Board.

As a result of the biennial elections to the Executive Council held under Rule 14 of the Rules of the Institute, the following, in order of the number of votes secured, were declared elected as members of the Executive Council for the years 1960-64, to fill the eight existing vacancies: *Shri C.M. Trivedi*, *Prof. D.G. Karve*, *Prof. N.K. Sidhanta*, *Shri H.M. Patel*, *Shri D.L. Mazumdar*, *Shri G.C. Singhvi*, *Shri D.S. Joshi* and *Prof. M.V. Mathur*.

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The following publications have been brought out by the Institute: (1) "Budgeting in India—Short-term Course Lecture Summaries"; price Rs. 1.25; (2) "State Undertakings—Report of a Conference"; price : Rs. 0.50; (3) "Training for Social Welfare Work: Courses and Institutions" by *V. Jagannadham* and *S.P. Nandwani*; price: Rs. 1.50; (4) "The Communal System of Yugoslavia" by *B. Mukerji*; price Rs. 1.75; (5) "Administration of Traffic Enforcement with Special Reference to Delhi" by *T.S. Khanna*; price Rs. 1.50; and (6) "The Question of a Parliamentary Committee for Public Enterprises"; price Re. 1.00.

The text of the five lectures delivered by *Shri K. Santhanam*, Chairman, Second Finance Commission, at the Institute in March 1959 has been published by the Institute. The book is entitled "Union-State Relations in India"; it is priced Rs. 7.50. Copies are available from *M/s Asia Publishing House*, Bombay.

DIGEST OF REPORTS

PAKISTAN, THE SECOND FIVE YEAR PLAN (1960-65); Planning Commission, Government of Pakistan, June 1960; xv, 414p.

(I) THE BASIC FRAMEWORK

(a) *The Objectives, Strategy and Size of the Second Plan*

(1) (i) The First Five-Year Plan aimed at increasing national income by 15 per cent and envisaged an expenditure of Rs. 10,800 million: 7,500 million in the public and 3,300 million in the private sector. The financial resources including foreign exchange earnings from exports and food production, however, fell short of the targets and the non-development expenditure of the Government exceeded its revenue receipts. In financial terms the First Plan target is likely to be fulfilled to the extent of about 90%, with the total development expenditure at Rs. 9,715 million: 6,315 million in the public and 3,400 million in the private sector. The increase in national income will be about 11 per cent and the rise in *per capita* about 3% as against 15% and 7% respectively originally envisaged. (ii) The Second Plan aims at increasing national income by 20% and *per capita* income by 10%—from Rs. 290 to 320 in 1959 prices. (iii) Self-sufficiency in food, improvement in the balance of payments, acceleration of the rate of economic growth of relatively less developed areas, and increase in employment opportunities are other important objectives of the Plan. The development effort will be increased by about 140 per cent in East Pakistan and by about 70 per cent in West Pakistan. (iv) Priority will be given to expenditures which produce results as quickly as possible through better utilization of existing resources and

productive capacity. (v) Greater reliance will be placed on market mechanism and fiscal and monetary policies, instead of on direct price, profit and allocation controls, which subsidize consumption and discourage production so that over the longer run, economic development is adversely affected. Where it is necessary to retain controls, their rationalization and simplification will be undertaken. (vi) In regard to the respective roles of the public and private sectors, a pragmatic approach will be followed. No industries are reserved for the public sector; public investment is provided only in those activities which are not ordinarily developed with private capital or where, on present indications, private investment will not be forthcoming. Disabilities of the private investor are now being steadily removed. Indigenous and foreign private capital will receive positive encouragement. (vii) The use of capital in development projects will be economised to assure as rapid a turnover of capital as possible. (viii) The entire country will be covered by the Village-Agricultural and Industrial Development organisation by the end of the Plan, and it will be closely integrated with the institutions of Basic Democracies. Considerable reliance will be placed on these institutions to promote the effective participation of the people in the economic and social effort.

(2) (i) The total outlay in the Second Plan will be Rs. 19,000 million—9,750 million in the public, 3,250 million in the semi-public, and 6,000 million in the private sector.

The semi-public sector will consist of government-sponsored corporations which draw their finances both from the public and private sectors. (ii) An increase of over 20% in food production, 60% in large and medium scale industry and 25% in small scale and cottage industry is aimed at. Non-agricultural employment is expected to increase by about one-fifth. (iii) The Second Plan has to be viewed in the broad perspective of long-term growth of the economy. If the development programme is carried out as planned, it should be possible to increase real *per capita* income by 50 per cent over the present level by the end of the Fourth Plan and double it during the Sixth.

(b) *Resources and Financing*

(1) The strategy is to capture a substantial part of the additional income for investment purposes—about 15 per cent of the total increase in gross national product, or about 25 per cent of the additional income per head. The average savings rate is expected to rise steadily from 7 per cent in 1960-61 to 8.6 per cent in 1964-65, averaging around 7.8 per cent over the entire Plan period. On this basis, domestic savings amounting to Rs. 11,000 million can be mobilised for development.

(2) (i) The public sector is expected to mobilize Rs. 11,500 million. Of this, Rs. 9,750 million will be needed by the public sector programme and Rs. 1,750 million will be transferred to the semi-public sector. An investment of Rs. 560 million will be financed by the corporations from their own resources. (ii) The commercial nature of the corporations needs to be emphasised and their future policies so framed as to promote maximum efficiency and growth; their price policy should be guided by considerations of social gain, but the need for financing

their future expansion out of the own resources must also be given due weight. (iii) Government will have a surplus of Rs. 800 million on revenue account, after meeting all non-development revenue expenditure. Net capital receipts are expected to amount Rs. 1,500 million during the Plan, and the contribution of local bodies to Rs. 200 million. (iv) It is proposed to impose additional taxation of Rs. 1,000 million, particularly of a kind which reaches the ordinary incomes, and to provide all possible incentives for higher savings by raising interest rates, creating new savings institutions, and adopting appropriate fiscal and monetary policies. The strategy of taxation will be threefold. Firstly, excise taxation will be extended, sales tax raised and import surcharges levied to keep the increase in consumption in check and to encourage more economical use of national resources. Secondly, agricultural taxation will be increased, and direct taxation rationalized to strengthen incentives for increased production and investment. Finally, export duties will be so adjusted as to promote larger exports.

(3) An investment of Rs. 6,000 million is expected in the private sector, mainly from private savings and foreign private investment, and partly by commercial banks and government finance corporations.

(4) The Plan requires Rs. 8,000 million of foreign assistance : Rs. 6,500 million to meet its foreign exchange component, and Rs. 1,500 million as balance of payments support. In addition, foodgrain and other assistance under U.S. P.L. 480 will yield roughly Rs. 1,700 million during the Plan period. Foreign aid and loans, other than defence support and P.L. 480 aid, are expected to amount to Rs. 4,000 million.

(5) Deficit financing of Rs. 1,000 million will be consistent with monetary stability during the Plan period. Measures will be taken to ensure that there is no rapid and prolonged rise in prices during the Plan period. The anti-inflationary policy, during the Plan, will require five major measures: maintenance of adequate foodgrain reserves; use of taxation to siphon off purchasing power; greater use of monetary policy, including interest rates and credit policy, than in the past effort to increase supplies of goods and services; and price controls in the last resort but for very few essential commodities and for very short periods

(II) PUBLIC ADMINISTRATION UNDER THE SECOND PLAN

Many deficiencies in administration noted in the First Plan have been made up; in particular, important administrative reforms were effected during 1958-60 and administrative machinery today is materially stronger. To a substantial extent, the practicability of the Plan must be tested against the administrative policies and measures proposed for its execution. The problem of implementation is a question partly of motivation and partly of administrative mechanics. An immense responsibility rests upon the leadership in the Government to show the way, to demonstrate faith and confidence, and to fashion the public service into an effective instrument for assisting the people in all walks of life to make their own contributions to the country's development.

(a) Machinery for Planning and Implementation

(1) (i) In June 1959, the machinery for planning and development at the Centre was reorganized. The supreme decision-making body on economic policies and programming is the Economic Council, headed by

the President, and consisting of the Governors of the Provinces, the Ministers of the principal development Ministries, the Chairman of Pakistan Industrial Development Corporation and East and West Water and Power Development Authorities and the Chairman of the Planning Commission (which provides the secretariat). (ii) For current decisions and actions below the level of the Council, there exists the Economic Committee of the Cabinet. (iii) The Planning Commission, under a new charter, has authority and responsibility appropriate for a central planning agency. (iv) The supervision of implementation is assigned to a new agency, the Projects Division, which operates under the Economic Committee of the Cabinet and in collaboration with other planning bodies. (v) Both the Provincial Governments have Planning and Development Departments, responsible for preparing, stimulating and co-ordinating and evaluating the Provincial development programmes and schemes. (vi) With the creation of institutions of Basic Democracies, constituted in part of elected representatives and in part of official appointees at the union, *tehsil* or *thana*, district, and division levels, a new dimension has been added to Provincial administration.

(2) (i) Formulation of national objectives, plans and policies, and appraisal of results will be a function of the Central Government; the programmes will be directly executed by the Central Government only to the extent necessary. The adaptation of general objectives and plans to Provincial conditions and the execution of approved programmes will be the responsibility of the Provincial Governments and local bodies. In the interest of efficient administration it is vitally important that this principle of allocation of responsibilities between Centre and Provinces be

consistently applied. (ii) The Projects Division needs to be currently informed of all major delays in implementation of plan projects and non-application of plan policies in order to set in motion the necessary corrective measures. If implementation is impossible, the Planning Commission must know that in order that schemes or policies can be adjusted to the situation. A more formal definition of working relationships will need to be settled by the two agencies within the existing general framework. The intermingling of the roles of the Planning Commission and the Projects Division raises problems of some complexity, which should be reviewed after further experience has been gained. (iii) The staffing of the Provincial Planning and Development Departments is still inadequate. Heads of the Departments (who should be of the rank of Additional Chief Secretary) have commonly had to divide their time between planning responsibilities and direct administration of one or more executive departments. This not only limits the time and effort they can give to planning but also impedes their imparting an impartial general balance to the planning and execution of development programmes. (iv) With the exception of the Railway Administration most Ministries and Central and Provincial Departments have no properly constituted planning units. Effective planning units should be organized as rapidly as possible in all Ministries and Departments which deal with matters related to economic and social development. (v) For the most part hitherto, insufficient specialised attention has been given to advance framing of programmes and schemes. The problem faced by the Planning Commission in developing plans in details are aggravated by complications of distances in the country, and by shortage of trained staff in the Commission itself, as well as in the

Central Ministries and Provincial Governments. The machinery for co-ordinated preparation of long-range plans requires much improvement. (vi) Basic Democracies will become meaningful only if a measure of local programme planning and policy formulation rises upward to the points at which governmental decisions are taken. It is probably in development planning that the best opportunity exists for democratic participation. (vii) Lessons from the more successful administrative units will need to be applied to the less successful ones; and various devices for stimulating production in lagging areas will need to be tested.

(b) *Administrative and Financial Organization & Procedures*

(1) Care should be taken to ensure continually that overcentralization of authority does not hamper effective field operations, which must remain the ultimate testing ground for all administrative action.

(2) (i) Effective control of the implementation of long-range plans can be possible only when long-range programmes are broken down into annual development budgets which become an integral part of financial management. No schemes may be included in the annual budget which have not been incorporated in the annual development programme in accordance with approved planning procedures. (ii) Another requisite is that a consolidated foreign exchange budget should be synchronized with the preparation of annual development programmes. (iii) The abolition of the system of expenditure authorization by the Ministry of Finance prior to commitment of budget appropriations; the delegation of powers to the administrative Ministries to sanction, with some minor limitations, expenditures within the budget grants without reference to the Ministry of Finance;

the new system of financial advising built into the Ministries to promote efficient management—these should provide the Ministries with the necessary means for prompt action. (iv) The proposals for the exercise, by the Heads of Departments, of a variety of financial powers hitherto reserved to Ministers and for similar delegation of financial powers by the Provincial Governments to Divisional Commissioners should be promptly implemented. (v) The strengthening of the system of Development Working Parties has simplified the process of governmental approval and has eliminated much-criticized delays. The creation of similar machinery in the Provinces, as proposed in the report of the Provincial Reorganization Commission, is strongly recommended. (vi) Possibilities of further delegation of financial powers should be investigated. Further integration of the planning and budgeting processes should be set as an objective to be realized to the maximum extent possible, so that annual development programmes are clearly distinguishable in the budget, and their relationship to the Five Year Plans more clearly indentified.

(c) The Role of the Public Services

(i) There should be a closer and better adjusted association between the generalist and the technician. What is needed is not the elimination of the generalist, but a broadening of his horizon and a reorientation of his training to enable him to meet the new demands on his talents. (ii) With the developing complexity and multiplicity of government activities, new means must be found to adjust the administration to new needs. This principle is reflected in the decision taken by the Government in 1959 to create an Economic Pool to provide staff for the Ministries of Finance, Commerce, and

Industries, and in the recommendation of the Central Administrative Reorganization Committee that the Ministries of Education and Health should be manned exclusively by members of the education and health services. (iii) Consideration should be given to the constitution of well-paid, superior central services, with prospects of a good career, which will provide strong and competent cadres to serve the higher technical needs throughout the country. (iv) Both in the case of technical and non-technical services it is essential that the age of superannuation should be substantially raised.

(d) Organization and Methods

(i) Administrative planning must assume a role comparable in importance to that of economic planning, if the Plan is to be effectively implemented. This requires staffing of the Organization and Methods units at the Centre as well as in the Provinces with well-qualified experts in administrative management, strongly supported by consultants in specialized fields as required. (ii) As recommended by the Central Administrative Reorganization Committee there should be set up at the Centre as well as in the Provinces a standing committee to watch the working of the machinery of government and to advise the Government continually on its organizational structure, functions and administrative processes. (iii) Systematic organizational mapping should be undertaken to meet the problem that lines of responsibility in many instances are not well defined, with consequent loss of energy in administration and insufficiently clear accountability for results. (iv) There is, and will continue to be, room for substantial improvement in office management throughout the government machine. Office management specialists should be an integral part of the Organization and Methods units.

(e) Personnel Administration

(i) Most careful attention should be paid to the training and use of personnel to make up for their shortages. (ii) The personnel responsibilities of the Establishment Division, and of comparable units in the Provinces, should be reassessed, and additional grants of authority should be made to them as needed for a comprehensive personnel administration. (iii) Ideas of democratic administration can be introduced throughout the services only through well-planned training programmes over a period of years. (iv) The institutional resources for pre-entry and in-service training in various aspects of public administration have been strengthened during the course of the First Plan. An administrative training council is to be created to ensure co-ordination of the various administrative training programmes and to advise on future planning. (v) Continuous review of the effectiveness of the existing training institutions as well as determination of the need for new institutions to meet the training requirements of the public services should be an important function of the Central personnel agency. This agency should also have general responsibility for critical and disinterested evaluation of the quality of work being done by the superior services as a whole. The agency should therefore be staffed by trained personnel experts who are not themselves committed to any of the specialized cadres.

(f) Public Corporations and Authorities

(i) The ability of public corporations and authorities to plan and execute programmes has been effectively demonstrated. (ii) The advantages of resorting to quasi-autonomous agencies in order to get quick results will have to be weighed in

each case against the dangers of undermining the effectiveness of administration through already established channels. Where it is found that corporations and authorities can function usefully within defined areas and defined systems of coordination with other governmental units, they should be given the maximum possible administrative flexibility, and their internal management left entirely in their own hands. (iii) Economies in expenditures and good management of finances should be regarded as a crucial test of their efficiency. (iv) The management of the railways should ultimately be entrusted to an autonomous body operating as a commercial undertaking with its budget separated from the general budget, enjoying freedom from external interference, and subject only to limited and carefully defined Government control.

(III) RESEARCH, STATISTICS AND AGRICULTURE

(1) (i) The quality of present research in social and economic problems is uneven, and its range is not extensive. Provision is made at many points in the Second Plan for the improvement and extension of research within the government agencies. There is considerable room for extension and improvement in research carried out in universities and under the auspices of independent research agencies. The preparation of a comprehensive research programme itself is a task for research. (ii) More intensive research on the problems of economic development will be necessary to provide the factual and analytical base for planning and administration. Studies should be undertaken wherever possible in anticipation of emergent problems and important decisions. The existing institutes or centres for research in the social sciences at universities need to be strengthened

and more centres should be established in other universities. The universities should enlist the co-operation of all disciplines in their research undertakings and should not compartmentalize research in the manner regrettably prevalent in technical departments. The university research facilities should be used on a fee but non-profit basis by the business community as well as the Government. (iv) The proposal made in the First Plan for the establishment of a council for research in social sciences should be immediately implemented. The council should have as its purpose the advancement of a broad research programme in social sciences including demographic research, and assistance to the Government in the application of the results of research to problems of development.

(2) (i) There is need for improved training both in the techniques of statistical operations and in statistical methods. Two statistical training institutes are needed, one in each Province, to provide both academic and in-service training in collaboration with governmental statistical agencies and perhaps also with the universities. (ii) The long-term importance of research specialists and statisticians to the future of the country should be recognised, and three regularly-constituted services of scientists, economists, and statisticians should be established. (iii) A standing advisory council, consisting of the principal statistical agencies of the Government and the principal users of statistics, should be appointed to keep under constant review the organisation, efficiency and adequacy of the statistical services and the establishment of statistical standards.

(3) (i) Firm policy co-ordination in the matter of agricultural and rural development at the Centre is the first

essential. It should now be possible to provide the required coordination through the recently established National Rural Development Council, which is composed of Ministers and representatives of the nation-building Ministries and the Village AID organization. (ii) In the Provinces, the Additional Chief Secretary or Commissioner in charge of the Planning and Development Department should exercise overall policy supervision of departments responsible for various aspects of agriculture (including animal husbandry, fisheries, forestry and co-operation) and also of the Village AID organisation. Direct supervision of these departments should be the responsibility of a Director-General of Agriculture and an Administrator of Village AID of sufficient seniority to lend higher status to these organisations because of their important role in the development of the country. (iii) Below the Provincial Government level, the governing principles should be that: the contribution of District Magistrates and Deputy Commissioners to rural development, not inconsiderable at present, will be increased; there will be a substantial enlargement of extension services; the momentum and capabilities of Basic Democracies will be harnessed in collaboration with Village AID; conflicts among departments will be resolved, while competition for excellence of performance will be encouraged; and agricultural production will be sponsored at the only place where it can ultimately take place, *i.e.*, in the villages. (iv) There is need for reconsideration of the emoluments and promotion policies applicable to the agricultural services, and for equating the status of agricultural administrators and technicians to that of the other professional personnel. This is especially important in building up and maintaining a strong cadre of agricultural field workers.

(IV) MANPOWER TO EMPLOYMENT

(1) (i) The tasks of manpower planning fall into two groups, namely, creation of employment opportunities and provision of trained and skilled persons. (ii) The requirements of manpower in the Second Plan are very large and call for a drastic increase of domestic technical training facilities and a more judicious and expanded use of foreign training programmes. Manpower shortages may be relieved by promoting mobility of technical workers; employment within the country of trained Pakistanis at present abroad; better use of technical personnel; increased on-the-job training; greater use of foreign consulting firms; investigation of the feasibility of two shifts in existing technical training institutions; strengthening of vocational schools, and promotion of technical training within industrial units, private as well as public; courses in business management in at least one university in each Province; Government support to private efforts to establish an institute for management; more facilities for training personnel abroad; twenty-

one commercial institutes to offer diploma courses and also evening programmes for the in-service training of those employed in industrial and commercial concerns and in government offices, etc. (iii) A comprehensive programme of collection of manpower information, manpower studies, manpower planning and training is recommended. It includes reconstruction of the National Register of Scientific and Technical Personnel, establishment of employment counselling and vocational guidance services, courses at centres of higher learning for industrial relations training, and expansion of training in industrial management principles and techniques. (iv) A permanent inter-departmental agency of a form to be determined is needed at the Centre to evolve a broad national manpower programme. Similar provisions should also be made at Provincial and regional levels. A national training board should be appointed by the national manpower council to review and co-ordinate the training programme and the use of training facilities. Training boards in each Province should be established with corresponding functions.



BOOK REVIEWS

PARLIAMENTARY SUPERVISION OF DELEGATED LEGISLATION; By JOHN E. KERSELL, London, Stevens and Sons, 1960, xvi, 178p., 25/-

This is an interesting book on an important subject. The resort to delegated legislation has been on the increase with the growing complexity of laws and their continued incursions in the fields of economics and social services. Delegated legislation has to be accepted as a necessary evil: it is necessary because parliaments and legislatures cannot find the time to enact detailed legislation on all sorts of subjects on which laws have to be made, administrative details have to be filled in, the 'i's dotted and 't's crossed; and an evil because what should be done by the law-makers is made over to the ministers and their official helpers for prescription. The matter was high-lighted by Lord Hewart in his famous book, *The New Despotism*, in 1929, and does not admit of smugness or complacency. By rules, orders, regulations, by-laws etc. the civil servant exercises legislative powers delegated by the parent act, and often arrogates to himself judicial or quasi-judicial functions, taking matters outside the purview of law-courts, both civil and criminal, and declares that the decision of the executive or the administrative authority shall be final and binding. This is often particularly galling as there are no administrative tribunals on the continental model in countries that have modelled their institutions of law after Britain's. Writs in the High Courts and the Supreme Court are often not the answer, for the matters in dispute may be outside their jurisdiction, as ruled from time to time. All this is meant to emphasize how important it is that there should be proper and strict

scrutiny of delegated legislation, so that the piece of subordinate legislation does not go beyond the powers delegated by the enabling act, that it does not curtail the rights of the citizens and their liberties unduly, that it does not impose taxes and fees that should be levied by consent of the legislatures, that it does not have retrospective effect when none was intended by the law-making legislature, that it is not needlessly irksome etc. As the author says in the Introduction: "The government official, like a good many other people in this imperfect world, is to be watched most carefully when he is acting with the best intentions".

So there must be supervision by parliament or the legislature, and the minister accountable to it for delegated legislation as the matter cannot be left to private or public consciences, which are often flexible. The author has forcefully brought out that the departments "must be held effectively responsible to some superior authority outside themselves if democratic communities are to have any real protection against bureaucratic excesses", which are often committed in the interest of efficiency, despatch, "getting on with the job", and to avoid interference and delay. It is not enough that departmental heads are accountable to the political heads, who are answerable generally to the legislatures. As a Canadian Minister said, one of the main functions of Parliament is to "control the executive...so as to keep the executive continuously responsible through parliament to the people".

The word "executive" here was meant to include the political head and the civil servants. Proper instruments of control have to be devised and used by the legislatures, to ensure effective control without giving a cause for complaint that the legislatures are trying to tell the civil servants how to run the administration. The book is a useful study in these methods as worked out in Britain, Australia, New Zealand and Canada; they are examined with a good bit of detail, criticised, appraised and suggestions are made. They could be studied usefully by legislators and civil servants in this country as well as the intelligent public, who must ultimately be the guardian of democracy.

This control may begin by publication of draft rules and regulations, after preliminary discussions with the interested parties, and laying them on the table of the legislature for a sufficient time, and not making them law without adequate publicity. They should not be effective without first having been made known widely. It may not be practicable to lay all pieces of delegated legislation before Parliament or the legislature, on grounds of urgency or secrecy, before they become law, but in those cases reasons should be given and jealously scrutinised. As it is, all such laws are not laid before Parliament or assemblies. There should be a general provision that all such regulations and rules should be laid before the legislative bodies who should have ample time to study them, amend or annul them, where necessary. Early this year it was decided that in India the General Clauses Act should provide that all instruments of delegated legislation should be laid before Parliament, and that the State legislatures should make similar laws and that the following formula then need not be repeated in every Act authorising delegated legislation :

"Every rule made under this section shall be laid as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule."

This was the result of the deliberations of the Committee on Subordinate Legislation of the Lok Sabha as given in the Seventh Report. It has to be noted here regretfully that in spite of the fact that all such instruments did not have to be laid on the table of the house of the legislature, even the few that were seldom evoked any interest on the part of the legislators, and in some States never was there a discussion or motion about them, no attempt to get them amended or withdrawn. Mere laying will not help, although it is essential as a step. Members, or groups of members, irrespective of party affiliations, must take a lively sustained interest in these matters if any kind of usurpation of authority, or its legislative misuse are to be kept in check. Then it would be possible to lay down some intelligent principles about what kinds of instruments should not come into force without a positive resolution of the legislature and which should be subject to a negative motion of annulment—what had been done before it remaining valid. It is only by

adopting a critical and vigilant attitude that the executive can be kept on the rails.

In Britain the Select Committee on Statutory Instruments scrutinizes all such matters of delegated legislation including rules and orders framed under sub-delegated powers by officials, and brings to the attention of the House any statutory instrument which (i) imposes a charge on public revenues; (ii) excludes challenge in the courts; (iii) makes unusual or unexpected use of the powers conferred; (iv) has retrospective effect; (v) has been delayed in publication or laying; (vi) has come into operation prior to laying without prompt notification to Mr. Speaker; (vii) is not clear in meaning.

There should be a similar scrutiny in this country. The legislators should be assisted by experts and have an able adviser to assist them in their deliberations, in considering the explanatory notes received from the departments. A good adviser can make all the difference to the work of such a committee, for the members are not generally competent to form their own opinions unaided.

The legislators can exercise their influence by raising debates on the points that need attention or rectification. Government would generally not give solid ground for objection to the Opposition. The author has given instances of how debates have influenced governments without even a division. He quotes a metaphor that it is not repeated trials of strength between the horse and the fence that keeps the horse in the pasture but, rather, the fact that the fence is there and the horse knows it. We often hear talk of opposition parties in this country feeling frustrated for not being able to

influence government decisions. If they set about their business properly in this field, there is scope for useful work.

Adjournment motions are frequently, perhaps too frequently, resorted to by opposition parties but it is difficult to recall an instance in this country when they were moved to object to some piece of delegated legislation, when it was thought that its provisions raised questions of policy or principles, or altered the effect of the enabling Act, or made financial provisions, or might prejudice persons or classes of persons and in any other manner encroached unduly on the rights of individuals, or was retrospective in effect or banned challenge in courts etc. Often sales or purchase tax is imposed without even laying the instrument, at any time, before the legislatures and they do not challenge the laws under which it is done, nor do they assert their right to have a decisive say in the matters of taxation. Even retrospective laws, sometimes imposing taxes, are made without adequate protest from the legislators. After the War so many laws have been passed excluding the jurisdiction and scrutiny of courts—the trouble got going during the war—that there is little or no protest when similar feats are repeated under delegated legislation. The sense of protest has unfortunately been blunted by contrary usage. This is all the more deplorable since there are no administrative tribunals of the stature, authority and competence of High Courts to take care of these matters.

Further control can be exercised by ventilating grievances by putting questions in Parliament and the legislatures, by use of clear and incisive supplementaries. They have seldom been put on the subjects dealt with in delegated legislation. Often a particular instrument will not be

amended as a result of these questions and debates, as such instruments very seldom are in Britain, Canada, Australia and New Zealand, but the Government is influenced in its attitude generally, and so are the officials responsible for drafting who are often sitting behind the Speaker and listening. It is a matter of stimulus and response; the stimuli may have to be repeated, the response may be delayed, but effort in the right

direction brings welcome results, even if slowly. It is a matter of political education, and education is a slow process.

The book deserves to be read by those who are, or should be, interested in the important and unfortunately not here sufficiently vexed question of delegated and sub-delegated legislation.

N. V. GADGIL

PUBLIC ENTERPRISE IN SWEDEN; By DOUGLAS V. VERNEY, Liverpool, Liverpool University Press, 1959, x, 132p. 21s.

In the West, Sweden is foremost as a social democracy and is the archetype of the welfare state. The functioning of its state public enterprises is of considerable interest to India where "the socialist pattern of society" has come to be regarded as the avowed goal. We have, as in Sweden, a mixed economy of state enterprises and private enterprises, but state enterprise is daily assuming greater importance. The experience of Sweden should be of considerable importance to us because public enterprise, like any other enterprise, has its pitfalls and problems which have to be taken into account for successful operation.

Experimentation in state public enterprises has led to a large variety of forms. Broadly speaking, there are two types: First, there are the Trading Agencies like the Post Office, Railways and ordnance factories, which may be called the civil service type because both in regard to its staff and its method of operation it resembles rather closely a normal administration department of Government. Secondly, there are the state companies which are either of the single-shareholder type with the crown as the sole shareholder or multi-shareholder type in which the public and the state are shareholders in varying proportions.

While these are the two main categories, state public enterprises in Sweden have tended to adopt in varying degrees the main features of both in a process of experimentation which with its richness of experience is of immense value to the student of public enterprise.

The modern trends in the development of public enterprise in Sweden are of relevance to India. Trade Agencies are usually confined to monopoly enterprise and State Agencies to competition enterprise, but there is no hard and fast rule. In both there is the public insistence that they should be run efficiently and on sound business lines. At the same time there is the reverse trend of greater public accountability, particularly of the state agencies. Throughout the process of experimentation is the dilemma of achieving both business flexibility and public accountability.

For India it is of interest to note that the salaries for senior personnel have become a difficult problem particularly in agencies in which civil servants are employed. In view of the variations between open competition and closed monopoly, uniformity in the salaries of senior personnel can be embarrassing. Hence the tendency to appoint outsiders. On

the other hand, State enterprises can hardly be expected to adopt entirely the purely economic criteria of private enterprise.

As for public accountability, there are inevitably gaps in control. In the beginning when investment programmes are discussed and in the end when the accounts are audited there is full discussion in parliament but in between there is practically little opportunity and the management is left very much to itself and to the Minister, whose position is ambiguous because he is both the spokesman of the enterprise and the guardian of the national interest. But as the author rightly points out, if all the gaps in control were to be filled there would be no flexibility in public enterprise.

The author makes pertinent reference to the comment of the Auditor-General in India that State Companies are a fraud on the Constitution as well as on Company Law. This applies to Sweden no less than India. But what is the answer? Surely not the abandonment of State companies. The author suggests that there should be two distinct forms of Company Law, viz., Private Company Law and State Company Law. Another proposal is that there should be a new public service divided into two parts, a Civil Service Division and a Public Service Division. Both proposals are of interest and merit consideration. The publication is a valuable contribution on the subject of public enterprise.

S. LALL

ADMINISTRATION AND POLICY-MAKING IN EDUCATION; By JOHN WALTON, Baltimore, Johns Hopkins, 1959, xi, 207p., \$ 5.00

Mr. John Walton's book on "Administration and Policy-making in Education" is primarily a study of the theoretical aspects of administration as seen in school administration in the United States. It is the writer's basic thesis that administration can be clearly distinguished from the other activities of an organization and that a line of demarcation can be drawn between it and overall policy-making. The author attempts to define the administrative processes and states that administration as such must be clearly separated from policy-making, and implies that any administrative activity which tends either to modify or influence educational policy over-steps the limits of strict administration. The theoretical discussion of Mr. Walton is naturally conditioned by the peculiar circumstances of school education and administration in the United States. The policy of schools is laid down not only by the legislature, but also by the community

which functions through the Local School Boards. This situation is somewhat different from that obtaining in our country. In India, the basic educational policy is laid down by the State Government which functions at the primary education level through District and Municipal School Boards and at the secondary education level through the District Educational Inspectors.

Administration is an essential activity which is gaining more and more importance with the growth of industrial civilization. In a country like India which is pledged to the establishment of a Welfare State, the Government naturally assumes responsibility for meeting the educational needs of the community and as it bears most of the cost of education, it also lays down the policy. The administrator is still looked upon with a certain amount of suspicion because in the old Imperialist days, he was the agent for enforcing

unpopular laws. But the situation is now changed. He is now fundamentally a public servant who caters to the needs of the community. In the transitional stage of which we find ourselves, it is difficult to lay down a clear line in demarcation between policy-making and administration. A really capable administrator is bound by the very nature of his work to influence policy-making, at least

indirectly. Therefore, the kind of distinction Mr. Walton tries to make between administration and policy-making as such has little more than academic interest for us. Mr. Walton's book will, however, serve as a useful guide to the current thinking in the United States as regards the nature and function of educational administration.

W. H. GOLAY

MODERN ORGANIZATION THEORY; Ed. By MASON HAIRE, New York, John Wiley, 1959, 324p. \$7.75

We are living in the age of the "Organization Man". Organizations are important because a large number of people (particularly in highly industrialised countries) spend a big chunk of their time in them. Moreover, for many persons organizations represent a major part of their environment. Little wonder, then, if a lot of thought has been devoted in recent years to a discussion of the meaning, nature and scope of organizations and to a study of the behaviour and attitudes of persons working in them. With the growth of organizations, which has been further complicated by the impact of science and technology, problems of organizations have attained a bewildering complexity. A new approach is therefore necessary to deal with these problems.

approach, and the like. Attempts have been made to explain organizational behaviour in terms of political science, economics, sociology, psychology, anthropology, history, mathematics and biology. The problem of organization has, thus, become the focus of several disciplines. Undoubtedly, there exists rich literature on the structure of organization, the relations of members of the organization, decision-making process, motivations of employees and their attitudes and behaviour, efficient administration of organization, etc. Yet one seldom finds "a careful and systematic description of the nature and structure of the 'thing' with whose internally and externally directed activity the hypotheses are concerned."

Ever since the Hawthorne experiments of the late twenties and early thirties of this century shattered the implicit faith in the physiological or structural theory of organization, a whole group of conceptual developments bearing on the problem of organization have come to the forefront. Thus, the current literature on organization includes theories like behavioral theory, game theory, decision theory, information theory, communication theory, group theory, concept of informal organization, motivational approach, quasi-mathematical approach, human relations

An important attempt in this direction was made in 1958 by Simon and March. In their well-known book "Organizations" the authors, in their own words, "have surveyed the literature on organization theory, starting with those theories that viewed the employee as an instrument and physiological automaton, proceeding through theories that were centrally concerned with the motivational and effective aspects of human behaviour, and concluding with theories that place particular emphasis on cognitive processes." The authors' analysis of the existing

concepts of organization is certainly penetrating and they have also adduced evidence mainly regarding motivational approach based on research in laboratory. Yet, even they have made no attempt to present a synthesised theory of organization. Perhaps it may be impossible to do so.

Mason Haire's book, too, does not integrate the findings of current research into a systematic body of knowledge. What it does is to put within one cover varying concepts of organization and differing approaches to it as described by experts themselves in their respective fields. Mason Haire himself admits as much in his Introduction when he draws a parallel between the book and the fable of the blind man describing an elephant. In his words, "each of the authors is dealing with organizations and how they work, but, to some extent, they start from different bases and have different things in mind". The title of the book "Modern Organization Theory" may, thus, appear a little misleading. A more apt title could possibly be Readings on Organization or Modern Organization Theories.

The book is a collection of papers ably edited by Mason Haire. These papers were first read at a symposium held under the auspices of the Foundation for Research on Human Behaviour at Ann Arbor, Michigan, U.S.A. in February 1959. Each paper presents the most recent thinking on the subject in each of the diverse approaches. Mere enumeration of the titles of these papers should indicate the varying approaches to the problem of organization. There are ten chapters in the book entitled Concept of the Social Organization; A Behavioral Theory of Organizational Objectives; A Logical Task as a Research Tool in Organization Theory; Understanding Human

Behaviour in Organizations; An Interaction Approach to the Theory of Organization; A Motivation Approach to a Modified Theory of Organization and Management; Stability of Human Organizations; The Potential Contribution of Graph Theory to Organization Theory; Biological Models and Empirical Histories of the Growth of Organizations; and Efficient and Viable Organizational Forms. The papers presented here, thus, include great diversity both in approach and in the problems identified. Taken together, they deal with matters like the conflict between personality and organization, structure of organization, decision theory, ecology of organization and stability of organizations. In addition, there is an introductory chapter by the editor entitled Recurrent Themes and General Issues in Organization Theory. In this valuable chapter Mason Haire briefly indicates the nature of the contents of the papers and, critically analysing them, points out the "things (which) seem to be lacking". It, therefore, forms a useful background to the understanding of the following chapters.

The editor is not fully satisfied with the coverage of the subject and points out the following lacunae: (1) there is little discussion of economic context in which the organization works; (2) there is inadequate discussion of power in organizations or analysis of bureaucracy in the tradition of Weber; (3) attention still falls largely on the behaviour and motives of the blue collar worker who is no longer as important as in the past in the background of the development of a host of professional specialists and the growing use of automated production techniques; and (4) when management is studied, it is almost exclusively in terms of decision-making and there has been relatively little interest in

either the motives or the behaviour of management outside this area. To these omissions one may add that there is little, if any, attention given to cultural ecology. In a country like India religion, caste and language play an important part in motivating the workers, and an understanding of the employees' behaviour will at best be incomplete if these factors are ignored. The same will be true of the racial factor in places where

racial discrimination prevails. Finally, it should be borne in mind that the papers in the book are oriented more toward business than governmental organization.

Altogether the book is a valuable addition to the literature on organisation, and it is a must for any serious student of public administration.

A. AVASTHI

THE TECHNIQUES OF GOVERNMENTAL WORK IN THE MODERN STATE—A Study in Political Science, Public Administration and Comparative Constitutional Law; By Andre Bertrand, Brussels, I.I.A.S., 1960, 90p., \$2.00

The monograph is divided into two parts: (a) Techniques of Governmental work and the preparation, by the Executive, of its decisions; and (b) Techniques of Governmental work in legislation. It is perhaps the first time a close comparison has been attempted in a precise and compact manner of the techniques of decision making and legislative planning in vogue in France, the U.K. and the U.S.A. The monograph is the result of a study in Political Science, Public Administration and Comparative Constitutional Law, carried out by Prof. Andre Bertrand for the U.N. on behalf of the I.I.A.S.; the original was published in French in 1954, but the English edition came out only late in 1959.

Decisions at the highest "executive" level in France, the U.K. and the U.S.A. are made by a group of political executives, which from the point of view of "numerical working conditions" is not unwieldy—about 25 persons in France, 15 to 20 in the U.K. and 15 to 16 in the U.S.A. The head of the Government in the U.K., and also in France, (unlike his counterpart in India who also holds the important portfolio of External Affairs), is not in charge of any particular Department; this

enables him to take cognisance of problems currently important, co-ordinate activities and resolve differences. He is assisted generally by an office of his own. There exist in the U.K. (and also in India) a number of Cabinet Committees, and inter-departmental Committees composed of high ranking civil servants, which act with firm decision-making power over many less important spheres. The Committee system helps to reduce the work-load, leaving only more difficult points or those on which Ministers may differ, for discussion by the Cabinet. Cabinet Committees, we learn, safeguard the cardinal parliamentary principle of collective Ministerial responsibility, since any Minister who does not take part in the Cabinet discussions is a member of one or more inter-departmental Committees where the Government's entire general policy in respect of matters in his competence is debated and decided upon. Because of the politically mixed nature and relatively shorter life of French Governments it has not been found possible to have in France standing inter-departmental Committees; the French Prime Minister therefore convenes *ad hoc* inter-departmental conferences to discuss specific questions.

Both in the U.K. and in France (as in India) there is a Cabinet office directly answerable to the Prime Minister; it is known as the General Secretariat of the Government in France. It is headed by the Cabinet Secretary in the U.K. and in India, and by the Secretary-General of Government in France. The Cabinet office provides the secretarial services to the Cabinet and co-ordinates generally the work of different "Executive" departments.

In the U.K., the principle of collective responsibility in the matter of Ministers not in the Cabinet is secured partly through the circulation of the agenda for and minutes of Cabinet meetings to them. There is nothing to prevent any Minister not in the Cabinet from making known his comments on a memorandum so distributed. The minutes recorded give a brief and objective summary of discussions, and, in very accurate words, the decisions reached. In India, the minutes contain decisions only and are circulated to Cabinet Ministers and to Ministers of State in independent charge of Ministries. The Ministers of State in India generally attend the meetings of the Cabinet whenever matters relating to the subjects under their charge are discussed. In all the three countries—U.K., France and India—there is a follow-up by the Cabinet office on the implementation of the Cabinet decisions. But in the U.K. alone when the Cabinet office becomes convinced that a Cabinet decision has not been correctly carried out by the Minister concerned, it may have recourse to an exceptional procedure of circulating in the Government what is called in London the "Black List" of Ministers who are guilty of not having faithfully or sufficiently promptly carried out decisions. Co-ordination of Governmental action presupposes a measure of solidarity at the level of

the Ministries; and this is secured in the U.K., as also in India, by permanent Secretaries of Departments; and to a great extent, therefore, efficiency of Governmental administrative work in the U.K. (as also in India) is due to the efficiency of the permanent senior civil servants.

In theory, as in Great Britain, the French Council of Ministers does not vote. The notion of collective responsibility of the Cabinet and of each of its members is more loosely understood in France than in Great Britain, as an inevitable consequence of French Governments being coalition Governments. On a few occasions already, when there have been important divisions, members of the Government have been allowed to vote either way. The power of decision-taking is exercised solely by the Council of Ministers under the chairmanship of the President, the highest Governmental authority and the only one expressly mentioned in the Constitution. The President of the Republic has of course the right, which he does not fail to use, of expressing his personal opinion.

The general policy of the Executive in the U.S.A. is the President's individual responsibility as the Chief Executive of the State. The present study explains the process by which that responsibility is exercised. The President, the Vice-President, and the Chiefs of the Executive Departments form the Cabinet, to the meetings of which the President can invite the Chiefs of other administrative bodies also. There are a number of Cabinet Committees functioning as in the U.K. to deal with specific matters and each Committee has its own secretariat and executive staff. The people in the White House office who give the final advice in decision-making are more often the Assistants specially chosen by the President on account of their personal ability

and special knowledge. But eventually the President *alone* has the responsibility for decision-making; and others act as advisers only.

In the U.S.A., the staff agencies attached to the President's Office, like the Council of Economic Advisers and the Bureau of the Budget, have come to assume a significant importance in the matter of assistance to the President in making of general policies. In India, while the system of decision-making at the top Executive level is founded on the U.K. pattern, the central planning 'staff' agency—the Planning Commission—has in recent years been playing an important role in policy formation. The Prime Minister is the Chairman of the Planning Commission which also includes the Minister for Finance, Minister for Planning and Minister for Defence and four other members who are not Ministers but who have distinguished themselves in various walks of life. The Cabinet Secretary functions as the Secretary to the Planning Commission. The allocation of resources and priorities by the Planning Commission has made it a body to be reckoned with by all Departments and Ministries.

* * *

The Government, in the U.K., began to realise early enough the dangers that arose from the preparation of individual bills without any general co-ordination. It has developed a rational system of drawing up long-term legislative programmes and maintaining control over the initiation and progress of legislative work. This mainly consists of inter-departmental Committees—a "Future Legislation Committee" which draws up a provisional programme for legislation and the "Legislation Committee" charged with the responsibility for closely watching the programme to its end.

In France, the Secretary-General of Government tries to control the flow of legislation but not with as much success as in England. He plays an important part in the preparation of the various Governmental legislations and keeps track of the progress of each of the relevant bills in order of urgency and priority. This action, however, is only sporadic and does not admit of any long-term legislative programming.

The President of the United States has no power to initiate legislation. The President's three annual and other messages to the Congress contain the most important features of the legislative programme recommended for adoption by the Congress, but he is powerless to carry it through if no member of the Congress is willing to introduce corresponding bills. A series of informal practices have been evolved to meet the difficulty; the most important of them is the weekly meeting of the President with the big four (the President of the Senate, the Speaker of the House of Representatives and the majority floor leaders of both the Houses) to discuss the legislative programme of the Congress. In the Bureau of Budget about 50 officials are engaged on work connected with the President's legislative programme. The Executive alone or in conjunction with the Congress is said to have introduced 50% of the more important bills passed by the Congress in the present century.

In our country, the liaison between the Government and the Parliament is provided by the Department of Parliamentary Affairs which is headed by a Minister of Cabinet rank. The Department maps out for a whole session or in parts the programme of legislation by fixing *inter se* priorities of Bills and other business in both Houses and fixing dates of introduction and

consideration, etc., in a manner that ensures smooth disposal of Government business in both Houses and at the same time provides ample opportunity and scope for deliberation to members of the legislature. The Department has a special responsibility in the matter of the fulfilment of assurances given by Ministers in Parliament and in co-ordinating action on recommendations of general nature made by different Parliamentary Committees. The Committees which are important from the point of view of legislative programme are: the Business Advisory Committees of the two Houses and the Informal Consultative Committees of Members of Parliament attached to different Ministries.

Despite the shortness of its size,

the compactness of style and absence of up-to-date information, Prof. Bertrand's accurate and comparative study reveals many an interesting point and provokes serious rethinking about the use and utility of different techniques of policy-making in Government and of planning and directing of legislation by Government in the U.K., France, and U.S.A. The Indian reader is tempted to ask: in what manner and to what extent the two problems studied by the author call for different techniques and approach in much less advanced countries like India who have undertaken rather ambitious plans of development? Further study and research alone can help to answer this vital question.

R.K. RANGAN



BOOK NOTES

GOVERNMENT AND PUBLIC Responsible Performance; By JOHN HILL, 1959, xii, 484p. \$7.95

This volume is intended to be a companion to the author's earlier book, *Management in the Public Service*, in which he examined the issue of operational effectiveness to be encountered in all bureaucratic endeavour. Mr. Millett examines in the present volume the important question how to ensure that the American bureaucracy in its high degree of professionalisation shall not become the ruler of man.

The main thesis is that there is an element of separate identity to be observed in practice between the legislature, executive, and the judiciary on the one hand and the various administrative agencies of government on the other. Administrative agencies in the American scheme of government are, we learn, not part and parcel of the executive branch but constitute a distinct echelon of government subject to the separate direction of the executive, the legislature, and the judiciary; administrative agencies are politically responsible to all the three. And this responsibility is not channelled through any one branch; it is exercised directly. The administrative powers vested in the chief executive relate to the appointment of administrative personnel, and general oversight of administrative operations. His political, legislative, and ceremonial duties serve to reinforce these administrative powers. But by the nature of his office and by the requirements of the Constitution he must share responsibility with the legislature and the judiciary.

ADMINISTRATION—The Quest for D. MILLETT, New York, McGraw-Hill, 1959, xii, 484p. \$7.95

In the American system of government, there is no equally clear and distinct doctrine of the constitutional status of the bureaucracy. Administrative authority rests upon legislative enactments. The substantive purposes or objectives which administrative agencies are expected to accomplish are expressed primarily through law. The legislature in the U.S.A. provides the appropriations which determine the magnitude and scope of administrative endeavour, keeps a watch over the disbursement of public funds, prescribes organizational arrangements for the conduct of administrative activities and sets forth various operating procedures, such as those for the appointment and retention of personnel, purchase of supplies, planning and building of public facilities, and handling of legal cases. It also enquires into any administrative behaviour which it considers appropriate.

The main safeguards in the American scheme of government against a politically powerful bureaucracy are : the political tradition for the democratic way of life, multiplicity of administrative units, and the effective functioning of the organs of decision making within the governmental structure of a free democratic society. The author concludes that the legislature cannot effectively perform its task of ensuring that the administrative agencies of government remain responsible if it encroaches upon the role either of the executive or the judiciary. It is also necessary for the legislative

and executive branches of government to remind the judiciary from time to time that they share power with it.

IDEAL AND PRACTICE IN PUBLIC ADMINISTRATION; By EMMETTEE S. REDFORD, Birmingham, University of Alabama Press, 1958, xii, 115p. \$2.50

In the six lectures which are contained in this volume and were delivered in the annual lecture series in public administration at the University of Alabama, the distinguished author discusses the five ideals—efficiency, the rule of law, competence and responsibility, democracy, and the public interest—which are actually embodied or may be most effectively embodied in administrative practice in the U.S.A.

'Efficiency', which was the cherished goal of the early twentieth century public administration and is defined as an input-output ratio, is inadequate as an ideal not because it is mostly nonmeasurable but as there are other elements in decision making such as balancing results, applying law to facts, consideration of public interest and national objectives, tracing all aspects of a problem and defining the alternative feasible solutions.

As discretion remains a significant attribute of administrative policy making at higher levels, 'the rule of law' becomes an inadequate guide for administration.

The ideal of competence and responsibility has been sought by increased professionalisation of the public service which encompasses qualifications for differentiated responsibilities, career opportunities

and professional standards. These requirements can be met by policies designed to keep the American public service flexible and fluid within and open to some measure of fertilization from outside, and by developing within the public service a full range of competences—from the technical and functional to the super-functional, from the specialist to the generalist.

Only a working partnership between professionals and politicians can supply both the knowledge and the push for the creative adaptations in policy needed in a society in flux.

The political and administrative systems together institutionalize in a number of ways the search for the public interest. The public interest is diverse. As a result of the limitations on the power of groups in the structure of American society and in pluralistic representation and internal checks, and of the existence of unities of interest and ideal, comprehensive jurisdiction, comprehensive representation, expert analysis, and political and administrative statesmanship, a considerable measure of public interest focus is found in major public decisions.

The author concludes that constitutionalization, or institutionalization of ideal, is the supreme task of political science.

MUNICIPAL GOVERNMENT AND ADMINISTRATION IN AMERICA; JEWELL CASS PHILLIPS, New York, Macmillan Company, 1960, viii, 648 p., \$6.95

This is an interesting and useful introductory text book which discusses in the light of the past and recent developments the contemporary

problems of municipal government and administration in the U.S.A. The author relates the problems to their proper factual setting and puts

forward feasible alternative solutions in an objective manner.

The book is divided into two parts. Part One on "Municipal Government" includes chapters on the origin, development, and growth of American municipal corporations, their charters, powers, and liabilities, structure of municipal governments—mayor-council forms, commission and other plural executive plans for municipalities and council-manager and mayor-administrator plans.

Part Two is devoted to "Municipal Administration". In addition to administrative problems particular to specific programmes Mr. Phillips examines municipal administrative organisation and reorganisation, municipal personnel problems and personnel management, fiscal organization and the revenue problems, municipal ownership and regulation of private enterprise and municipal reform, public relations, and appraisal standards.

FORMS AND RECORDS IN PERSONNEL ADMINISTRATION; NATIONAL INDUSTRIAL CONFERENCE BOARD, New York, NICB, 1960, 384p.

The study reproduces personnel forms, numbering about 225, used in private industry in the U.S.A. The recent trends in forms management have been in the direction of proliferation and consolidation of personnel forms, revision of forms to meet new developments in personnel administration and the requirements of mechanisation of records and to conserve filing space. The forms reproduced are set in different colours and arranged into groups in the following order: 'Staffing the Organisation', 'Induction, Training, Education and Discipline', 'Wage and Salary Administration', 'Time Record and Work Changes', 'Travel Expenses',

'Suggestion Systems', 'Rating Employees and Managers', 'Safety', 'Patent Agreements', 'Time Off with Pay', 'Medical Examinations and Employee Health', 'Workmen's Compensation', 'Labour Relations', 'Group Insurance and Sick Leave Pay', 'Military Leave', 'Absenteeism and Turnover', 'Employee Services and Special Activities', 'Pension and Thrift Plans', and 'Audits and Reports to Management'.

Each group of forms is preceded with an introduction. A similar study of forms used for personnel records in Central and State administrations in India will obviously be useful.

THE WELFARE STATE IN FRANCE; By WALLACE C. PETERSON, University of Nebraska Press, 1960, 115p. \$1.50

Completed under a Fulbright research fellowship in France in 1957-58 the present study indicates that the welfare state has been institutionalized in France no less than in Great Britain. Examining a volume of data pertaining to national product, personal income, taxation, and government expenditure the author suggests that France has become more of a welfare state than either the United Kingdom or the United States. The welfare state is defined as one in

which Government power is used as an instrument for the redistribution of income in society with the dual objective of greater equality in money incomes and a guarantee of some minimum standard of well-being for all. As a general principle there is a redistribution of income whenever the cost of public activity borne by a particular group differs from the benefits received by it. The study shows the extent to which the French Social security system has become an

instrument for the redistribution of income in her economy; it also analyses the manner in which the pattern of income distribution has been altered as a result of welfare expenditures by the Government.

Social security benefits and other welfare expenditures in France are on the whole progressive in their effects. Both the data pertaining to the distribution of income between social classes and the distribution of income by income range show that the structure of transfer expenditure is progressive—*i.e.*, the groups least favourably situated in the matter of income benefit to the greatest extent from such expenditures. As real income is below that of both the United Kingdom and the United States, the French economy is in a less favourable position to support large outlays for welfare purposes.

While the amounts available for different categories of social benefits are meagre by American standards, yet to the extent the welfare state idea means protection for the worker against the hazards and uncertainties of contemporary economic life, France has been as successful as any other nation in establishing the necessary machinery for the purpose.

The author concludes that we must remain somewhat agnostic about the efficiency of the welfare state as an instrument for effecting any revolutionary change in the distribution of income. The welfare state is essential to the extent necessary to prevent disintegration and conflict over the question of distributive justice, but finally it must be adjudged in terms of its contribution to the establishment of a stable social order for further advances in productivity.

OUR FUNDAMENTAL RIGHTS—*Their Nature and Extent (As Judicially Determined)*; By D.N. BANERJEE, Calcutta, The World Press, 1960, ix, 483pp., Rs. 25

The book describes, with special reference to the Preamble to the Constitution of India, the nature and extent of Fundamental Rights as they have been judicially determined. The corresponding position in the

United States and in England has been indicated at appropriate places by way of comparison; there are also references to the views of eminent authorities on constitutional law.

REGIONAL INCOME ATLAS OF MADHYA PRADESH; By DIRECTORATE, OF ECONOMICS AND STATISTICS, MADHYA PRADESH, Bhopal, 1960, 115pp., Rs. 5

The Atlas gives district-wise breakdown of income for 1956-57 for Madhya Pradesh as a whole and for different sectors of its economy, namely, agriculture, animal husbandry and hunting, fishery, forestry, mining, factory establishment, small enterprises, etc. It also shows the size and composition of the working force—total, rural, urban, female, agricultural, non-agricultural and

self-supporting—for different districts, as also yield per acre for principal crops, and incidence per acre of land revenue. These statistics are expected to help in the formulation of programmes and policies, fixation of production targets, and allocation of resources for balanced district and regional development. All tables are illustrated with maps.

PROBLEMS OF URBAN HOUSING—Report of a Seminar; By THE INDIAN INSTITUTE OF PUBLIC ADMINISTRATION, BOMBAY REGIONAL BRANCH, Bombay, Popular Book Depot, 1960, viii, 154p. Rs. 10

The Report contains the summary record of the proceedings and conclusions of and the papers for the Seminar on "Problems of Urban Housing" which was organised in Bombay on the 6th and 7th of September 1959 by the Institute's Regional Branch under the chairmanship of Shri K.L. Panjabi, I.C.S. (retd.), former Chief Secretary to Government of Bombay. For purposes of discussion, the subject was divided into three sections: (1) Financial Aspects including Resources, Taxation Policies, Incentives and Disincentives; (2) Planning and Administrative Co-ordination, Siting, Materials and Designs; and (3) Construction Agencies.

The Seminar recommended that Governments, local authorities and public corporations should work out definite ten-year housing programmes; the houses should be sold to the occupants on hire-purchase basis; the Life Insurance Corporation should give substantial help by way of loans to co-operative housing societies and employees should be able to draw on provident fund savings for construction of houses. It was felt that the present system of state and municipal taxation, which

was based on gross rental income and permitted only meagre return on investment on house construction, was checking the growth of private housing enterprise; the basis of taxation should be net income rather than gross income inclusive of the different taxes. Several suggestions were made for the supply of finance on easy terms to low income groups and to co-operative societies, of an adequate quota of controlled materials and of suitable vacant land.

The Seminar further recommended that the functions of the State Housing Board should not be restricted to construction of houses on behalf of Government but should cover consultation by the Governments on all questions of housing policy. It also suggested the establishment at the Centre and in each State of a separate Ministry of Town and Country Planning, Housing and Local Government to secure integrated action in providing good housing and in diffusion of industries; preparation of master-plan by every local authority within a period of five years; and further study and research on technical questions connected with quicker and cheaper production of building materials.